Austria ... Sch 18	Indonesia .. Rp 2500	Portugal ... Esc 80
Bahrain .. Din 0.650	Italy ..... L 1200	S. Arabia .. Rls 6.00
Belgium ... BFr 38	Japan Y550	Singapore . S$ 4.10
Canada ... C$2.00	Jordan ... Fils 600	Spain .... Pts 100
Cyprus ... C£0.60	Kuwait ... Fils 500	Sri Lanka ... Rup 30
Denmark .. Dkr 7.25	Lebanon .. £L 6.00	Sweden .. Skr 8.50
Egypt .... E£1.00	Luxembourg . LFr 38	Switzerland SFr 2.00
Finland .. Fmk 5.50	Malaysia .. Rin 4.25	Taiwan ... NT $35
France .. FFr 6.00	Mexico .. Pes. 300	Tunisia .. Din 0.600
Germany . DM 2.20	Morocco .. Dh 6.00	Turkey ..... L 180
Greece ..... Dr 80	Netherlands . Fl 2.50	U.A.E. ... Dh 6.50
Hong Kong . HK$ 12	Norway .. Nkr 6.00	U.S.A. $1.50
India .... Rup 15	Philippines . Pes. 20	

FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

No. 29,445 Thursday October 11 1984 D 8523 B

Taiwan displays its spirit of prosperity, Page 4

NEWS SUMMARY

GENERAL

Reagan says age 'not an issue'

President Ronald Reagan dismissed suggestions that his age had become an issue in November's U.S. elections and accused his Democratic rival Walter Mondale of "making a career out of weakening America's armed forces."

Questions about Mr Reagan's age persisted after his poor performance in his televised debate with a relaxed and self-confident Mr Mondale.

Mr Reagan, at 73 already the oldest U.S. president in history, denied suggestions that he had tired during the debate and said that if he had worn as much make-up as Mr Mondale, who is 56, "I'd look younger too." Page 24

Spy tapes found

Sweden has seized stolen computer tapes containing vital West German military information which had been copied at an unidentified West German state computer centre on behalf of a unnamed Eastern bloc country.

Yugoslav trial

The prosecution has demanded the death penalty for some of 11 ethnic Albanians on trial in Pristina, capital of the south Yugoslavian province of Kosovo, accused of terrorism and anti-Yugoslav activities.

Panama protest

More than 10,000 people marched through Panama City to protest against controversial presidential elections and alleged government corruption.

India curfews

Violence between India's Hindu and Moslem communities spread, with authorities enforcing a 24-hour curfew on a town in the western state of Maharashtra and continuing them in several other places.

China unfreezes

China says it will resume talks with the Soviet Union on October 18 aimed at normalising the present cold relationship.

Asylum offer

Chancellor Fred Sinowatz said Austria was ready to grant provisional asylum to 140 East Germans occupying the West German embassy in Prague and seeking asylum in the West.

Greek quarrel

Greece extended its quarrel with Turkey over a Nato air defence exercise in the Aegean to the U.S. saying both Turkish and U.S. fighter jets violated Greek national air space.

Lebanon troops

Israeli Prime Minister Shimon Peres said his country's troops could withdraw from Lebanon in six to nine months.

Ambassador freed

Spanish ambassador Pedro Manuel Aristegui was released after being kidnapped in front of his embassy in Beirut. Earlier story, Page 4

French crackdown

French Government announced a crackdown on illegal immigrants, but stressed the need to fight racism and to help foreign workers already legally settled in France. Page 24

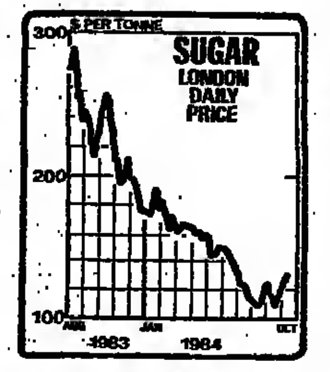
EEC rebates

Britain and West Germany will receive combined EEC budget rebates totalling Ecu 1.2bn ($884m) before the end of the month, after an overwhelming vote by the European Parliament to release the money. Page 2

BUSINESS

$ fails to hold gains in Europe

DOLLAR failed to hold gains in Europe. Fears that the Bundesbank might intervene to brake any sharp rise encouraged profit-taking each time it went beyond DM 3.10, but the West German central bank confined dollar sales to a token $12.95m at the official Frankfurt fixing. The dollar closed in London at DM 3.0755 (DM 3.089), SwFr 2.5375 (SwFr 2.543), FFr 9.425 (FFr 9.47) and Y247.3 (Y247.65). On Bank of England figures, its trade-weighted index rose to 142.9 from 142.4. In New York it closed at DM 3.0965, FFr 9.4875, SwFr 2.5475 and Y247.55. Page 47



WORLD SUGAR values turned upward again, reflecting overnight strength in New York and news of an unexpectedly large Egyptian purchase on Tuesday. In the morning the London daily price was fixed $5 up at $130 a tonne, the highest level since early July. On the London futures market the March position climbed to $166 a tonne before profit-taking trimmed it to $164.50, up $3.20 on the day. Page 46

WALL STREET: the Dow Jones industrial average closed up 2.10 at 1,177.23. Section III

LONDON equities rallied gradually from a weak start. The FT Industrial Ordinary index firmed 0.6 to 866.8. Gilts met late weakness. Section III

TOKYO stock market was closed. Foreign selling disappoints, Page 37

STERLING was generally firmer in London, rising to $1.233 ($1.228), SwFr 3.1275 (SwFr 3.12), FFr 11.6725 (FFr 11.6175) and Y305.5 (Y303.75). It was unchanged at DM 3.79. The pound's trade-weighted index was steady at 76.3. In New York it closed at $1.2265. Page 47

GOLD fell $3 an ounce on the London bullion market to $337.75. It was also lower in Frankfurt, at $338, and in Zurich, at $337.75. In New York the Comex October settlement was $338.80. Page 46

U.S. TRADE deficit in 1984 is expected to jump from $69.4bn to $130bn, Commerce Secretary Malcolm Baldrige warned.

GENERAL ELECTRIC of the U.S. lifted net profits by 13 per cent to $564m or $1.24 a share in the third quarter on sales up 2.6 per cent to $6.72bn. Nine-month earnings were ahead 12.6 per cent at $1.63bn while sales advenced 3 per cent to $19.97bn.

CATERPILLAR, the U.S. earthmoving and construction equipment company cut its dividend sharply from 37.5 cents to 12.5 cents, in a move to conserve cash. Caterpillar shares rose $¼ soon after the news. Page 24

AUSTIN ROVER, the volume car maker subsidiary of Britain's state-owned BL group, started a campaign to recruit between 750 and 1,000 more dealers in continental Europe as part of a programme to boost its share of the European market outside the UK from about 1.9 per cent to 2.8 per cent. Page 27

BAXTER TRAVENOL, the U.S. health care products group, reported a 31 per cent drop in third-quarter net income to $39.7m. Page 25

Philips, Siemens link to bid for microchip lead

BY GUY DE JONQUIERES IN LONDON

PHILIPS of the Netherlands and Siemens of West Germany, Europe's two largest electronics companies, are to join forces in an ambitious attempt to match U.S. and Japanese leadership in the world microchip industry by the end of the 1980s.

The companies have agreed to collaborate on a project to develop and manufacture advanced microchip memories. The plan, which is backed by the Dutch and West German Governments, may involve investments of as much as $1bn over the next seven years.

The companies aim to begin by 1989 production of 1-megabit and 4-megabit random-access memory (Ram) chips capable of storing more than 1m and 4m bits of data, respectively. The most advanced memory available today, the 256k Ram, can store about 256,000 bits of data and is only just being produced commercially.

Memory chips are the most widely used of all mass-produced micro-electronic components. The present world market is estimated at more than $5bn and it is dominated by Japanese suppliers.

Philips and Siemens have decided to commit themselves to the project after several months of talks and will begin detailed product development in April. The planning process is expected to last until 1989 and cost more than $300m.

Almost half the cost will be financed jointly by the West German and Dutch Governments. Bonn will contribute about DM 300m ($96m) and the Hague about two thirds as much.

The two companies plan to carry out the development in their own laboratories closely co-ordinating their efforts and will share the resulting technology.

The groups will divide responsibility for production, however, Siemens will take the lead in making 4-megabit dynamic Ram chips, while Philips will be the prime manufacturer of 1-megabit static Ram chips.

Siemens plans to locate its production at a new plant in Regensburg, Bavaria. Philips is expected to make its components at Eindhoven, in the Netherlands, and at a plant in Hamburg owned by Valvo, its West German subsidiary.

The scale of production and investment has yet to be decided. Siemens said yesterday, however, that it had set aside DM 2.2bn for the project, of which about DM 800m would be for development and the rest for plant and equipment.

Philips gave no details of its planned financial commitment but did not discourage reports that the total cost of the project would approach $1bn over several years.

Philips and Siemens are Europe's two largest microchip manufacturers. Although neither has been a dominant Ram chip force in the past, both have been stepping up research and development spending.

Apart from its joint project with Philips, Siemens plans in 1986 to make 1-megabit dynamic Ram chips at its Regensburg plant and to produce soon 256-K Ram chips at a factory at Villach, Austria.

A grand gamble is taken, Page 2; U.S. approval for chip protection, Page 5

British coal union fined £200,000 for contempt

BY RAYMOND HUGHES AND JOHN LLOYD IN LONDON

A BRITISH judge fined the National Union of Mineworkers (NUM) £200,000 ($245,000) and its president, Mr Arthur Scargill, £1,000 for contempt of court yesterday, on the eve of new talks about settling the country's 31-week coal dispute.

Mr Scargill and the union were held in contempt for describing the strike in the Yorkshire area as official after the High Court in London had ruled it was not.

Within hours of the judgment, the NUM, through Mr Scargill, laid itself open to a further charge of contempt when the NUM president issued a statement from the steps of his headquarters in Sheffield, north England, which reaffirmed the union executive's endorsement of the strike as an official one.

The statement said that "the union will do all in its power to win maximum support for the strike and reaffirms that there should be no crossing of official picket lines. The official strike action will continue until the National Coal Board withdraws its pit closure programme, agrees to keep open those pits currently under threat and provides a basis for resolving this dispute in line with the Plan for Coal."

The Plan for Coal was a joint strategy drawn up by the state-run coal board and the NUM in 1974 for the future development of the UK mining industry.

British trade unions were insisting on pay levels that priced people out of jobs, Mr Nigel Lawson, Chancellor of the Exchequer, told the Conservative Party Conference yesterday. He went on to tell Tories, however, that the economy was strong and that inflation was under control. Report, Page 7.

Besides apparently compounding the contempt, the statement, issued from the co-ordinating committee which has day-to-day charge of the dispute, lays down a hard line in advance of the latest round of talks today between the coal board and the NUM at the government-backed conciliation service Acas.

Mr Ian MacGregor, the coal board chairman, believes that the NUM may be prepared to compromise on its principled oppositions to pit closures on economic grounds. He believes that the union's position, put to him by Acas officials on Monday, may now shift sufficiently for a deal to emerge.

Nnoe of the three national NUM officials has, publicly or privately, softened his opposition to uneconomic closures, and little optimism is shown in Government circles.

At the same time, however, the NUM is likely to come under increasing pressure from the courts. Besides yesterday's judgment, a number of mineworkers are now preparing to issue writs against the union claiming loss of earnings during a strike now declared as unofficial. They will argue that the union has broken its contract with them.

The High Court decision angered some Conservative backbench MPs attending their party's conference in Brighton. Mr Michael Colvin, speaking for a number, said that "Mr Scargill behind bars would be far more acceptable."

Mr Norman Willis, Trades Union Congress general secretary, said, however, that "this further decision by the court makes more difficult the task of resolving what is already a difficult dispute."

In the High Court yesterday, Mr Justice Nicholls said that the union, aided and abetted by Mr Scargill, had tried to put itself above the law and show it was "untouchable."

It had "wilfully, deliberately, knowingly and repeatedly" broken court orders not to describe the strike in the Yorkshire area as "official", said Mr Justice Nicholls.

The NUM was given 14 days to pay its fine, with the prospect of sequestration of its assets if it fails to do so.

European protest, Page 2; Court ruling, Page 8

Brooke Bond falls to Unilever

BY RAY MAUGHAN IN LONDON

UNILEVER, the Anglo-Dutch food manufacturer, yesterday won control of Brooke Bond, the UK tea and packaged groceries group, after lifting its bid to £389m ($478m) and launching one of the largest buying sprees seen on the London stock market.

The increased bid initially won a cold reception from Sir John Cuckney, chairman of Brooke Bond, who described it as "unneccessarily offensive and arrogant. Why they want to pay an extra £34m for a company they have been so critical of is beyond me."

On the back of revised bid terms – which were raised from 114p per share, valuing Brooke Bond at £355m, to 125p, and worth £389m – Unilever splashed out £166m in a share-buying campaign carefully orchestrated by brokers Rowe and Pitman. The outlay won Unilever 132.65m Brooke Bond shares.

Taken along with acceptances already received and previous market purchases, Unilever's foray swept it through its target of majority control to give it 57.1 per cent of Brooke Bond after what some of the participants described as a "momentous day."

Shortly after noon even the Brooke Bond chairman had second thoughts and said: "At this price it is a logical ending to the bid. With cash settlement on Friday, 125p is pretty tempting to institutions with the British Telecom offer for sale looming into their sights."

Tate & Lyle, the sugar refining group which had made the first bid for Brooke Bond on July 23, said later: "We believe our original offer for Brooke Bond was good and fair one and it is reassuring, if disappointing, that our interest in this company was also shared by a company such as Unilever."

After brief, if acrimonious, exchanges with Brooke Bond at the end of August Unilever made its first bid on September 2. Analysts never felt that Tate & Lyle had enough firepower to contest an auction with Unilever. Once Unilever received clearance from Britain's Office of Fair Trading, London financial institutions felt certain the issue would be decided by Unilever alone.

Continued on Page 24

Lex, Page 24; Battle develops for global palate, Page 22

Israel calls for U.S. to supply latest weapons

By David Lennon in Washington

ISRAEL has asked the Reagan Administration for supplies of the most up-to-date U.S. missiles, submarines and radar systems to help to maintain its military superiority over Arab states which are also receiving U.S. arms.

The new Israeli Government is also urging Washington to boost its military aid for the 1986 fiscal year from $1.4bn to about $2bn because it has ordered more U.S. military hardware than it can afford.

Israel's military requirements have been an important feature of this week's meetings in Washington between Mr Shimon Peres, the Israeli premier, and President Ronald Reagan and senior officials.

Although the talks have been dominated by the issue of how the U.S. can help Israel out of its economic crisis, Mr Peres has been stressing that his Government cannot successfully turn its economy around through public spending cuts and at the same time maintain a strong defence against hostile neighbours.

One of Israel's prime objectives is to obtain three sophisticated submarines equipped with technology also common to the U.S. nuclear submarine fleet.

The Government is hopeful of U.S. agreement. Mr Caspar Weinberger, the U.S. Secretary of Defence, on a visit to Israel next week is expected to sign an undertaking to build and deliver the three vessels for the Israeli navy.

He will also be asked to approve the delivery to Israel of the most advanced air-to-air and air-to-ground missiles and over-the-horizon radar, the technology of which has not been released to any of Washington's allies.

The Israeli military has ordered equipment from the U.S. for 1986 which will cost $500m above the military grant of fiscal 1985, according to officials in Washington.

Israeli overspending of the U.S. military aid grant follows the emergence of serious problems with the development of the wing and engine outlets of the Lavi (Lion) aircraft being designed by Israel Aircraft Industries at a projected budget of $1bn.

Although military aid is normally allocated for buying equipment and technology in the U.S., Washington has made an exception in the case of Israel, allowing it to spend $250m of this money at home in both 1984 and 1985 to cover the annual development costs of the Lavi.

Even so, officials in Washington

Continued on Page 24

Peking signs car production deal with VW

BY MARK BAKER IN PEKING AND JOHN DAVIES IN FRANKFURT

CHINA appears to have taken the first step towards permitting private car ownership with the signing of a DM 500m ($161m) joint venture agreement under which Volkswagen of West Germany will help to mass-produce the Santana model in Shanghai.

Volkswagen is the first foreign motor corporation to be permitted to make passenger cars in China. The joint venture plans to produce 20,000 Santanas a year by 1989.

Under the agreement, the entire car production will be sold within China to government authorities and taxi companies. In return, VW will export from China surplus production of 80,000 basic engines a year.

VW is confident of being able to sell cars to private purchasers and of developing export markets in Asia in the longer term.

The deal gives VW the leading position in what is considered to be the inevitable expansion of China's domestic car market to individual buyers, once the country has achieved further economic development.

VW also sees the venture as a big step in building up its worldwide production network and a way of getting access to a market with huge long-term potential. For the Chinese, the deal amounts to Western co-operation in developing its industrial base.

The agreement to set up a joint venture company was signed in Peking yesterday at a ceremony that coincided with the visit to China by Chancellor Helmut Kohl of West Germany.

China's leader Deng Xiaoping has emphasised his country's support for West German attempts to press for reunification of the Germanys, Herr Helmut Kohl, West German Chancellor, said yesterday. Herr Kohl, visiting China, had two hours of talks with Deng, after which he said the Chinese leader had shown himself to be "a champion of European unification". Page 3

The Chinese are already assembling small numbers of Santanas in Shanghai. With an eye to expansion, the plant will be set up with capacity to turn out 30,000 cars a year.

At present Santanas are beiog assembled largely from kits shipped from West Germany, with local sources accounting for about 30 per cent of production. Local production share will be steadily expanded to 80 to 90 per cent by 1991.

Production of four-cylinder engines is to be built up from 1986 and is to reach 100,000 a year by 1990, with 80,000 being exported for use in VW's own worldwide production network.

By the end of 1990 the joint venture company will have invested

Continued on Page 24

Taiwan's embarrassing riches, Page 4

French economists warn on inflation

BY DAVID HOUSEGO IN PARIS

WARNINGS OF new inflationary pressures building up in France have been made by two respected teams of economists.

The economic department at Paribas, the nationalised investment bank, believes that inflationary expectations, which had been reduced over the last 18 months, are being rekindled. It points to increases in public sector tariffs, higher levels of consumer and investment demand and excess liquidity as a result of the Government's large budget deficit as adding to inflationary pressures.

The bank forecasts that France will end this year with a 7.3 per cent inflation rate, compared with official estimates of a 6.7 per cent rate by the end of December.

It says that France's anti-inflationary performance looks "mediocre" in a European cootext. West Germany achieved a cumulative inflation rate for the first seven months of 1.2 per cent and the Netherlands of 1.6 per cent.

Meanwhile, a group of economists working with M Raymond Barre, the former French Finance Minister, says that next year's budget deficit will be much larger than the Government has claimed. They calculate that the real deficit is likely to be FFr 155bn ($18.4bn) compared with FFr 138.8bn in the 1985 budget estimates.

Supplementary defence budget, Page 3

CONTENTS

Moscow concerned over farm output

By Our Foreign Staff

THE CENTRAL committee of the Soviet Communist Party is to hold a special meeting on October 23 to discuss agriculture and limited changes in the leadership, according to diplomats in Moscow.

Soviet officials deny that the meeting will see a radical alteration in the leadership. Mr Mikhail Gorbachev, responsible for agriculture on the politburo, does not appear to have been politically dameged by the continuing poor performance of the agriculture sector.

On the contrary, he has consolidated his position as number two to President Konstantin Chernenko. The editor of the Communist party newspaper, Pravda, told reporters in Moscow this week that "as far as party jobs are concerned, Mr Gorbachev could be eaid to be a second party general secretary, next to Mr Chernenko."

Continuing reports of Mr Chernenko's ill health and possible resignation were strenuously denied by Soviet spokesmen.

The failure of the food programme introduced by President Leonid Brezhnev in 1981-82 to end food shortages appears to be the main reason for the special central committee meeting this month.

It is an expression of concern about the fifth poor barvest in succession despite heavy investment in agriculture. This year'a grain production may also be as low as 175m tons compared with an official target of 240m tons, say agricultural experts.

To meet the shortfall, Soviet grain purchases ebroad this year could total 50m tons at e cost of \$7bn-\$8bn compared with a previous record of 46m tons in 1981-82.

As miners strike, the empire strikes back

BY QUENTIN PEEL IN STRASBOURG

BRITISH Labour MEPs yesterday challenged the forces of law and order in the European Parliament by raising a Welsh miners' banner in the debating chamber—only to call down on themselves the wrath of the former Austro-Hungarian empire.

The extraordinary confrontation took place during a demonstration to draw attention to the British miners' strike. Welsh Miner's MEP Highness, attempted to pull down the offending yellow and scarlet banner with the help of Mr Paul Howell, the Llewellyn Smith was challenged by Herr Otto Habsburg, once the heir-apparent to the imperial throne in Vienna.

Herr Habsburg, who renounced all claim to his title when he became an MEP from Bavaria, although he is still known politely as His Tory farmer MEP for Norfolk.

The two were repelled by Mr Smith and Mr Alec Falconer, his fellow standard-bearer, as Socialist MEPs clapped and cheered, Mr Leslie Huckfield, the Labour member for Merseyside East, called for an emergency debate on a point of order.

But the Parliament was not to be moved, even if the empire was beaten back. Mr Hans Nord, the Dutch Vice-President in the chair, pulled the plug on the microphones, and left his seat until the demonstrators retreated.

They faced angry criticism from fellow MEPs, outraged at their abuse of te debating chamber, and some support from erstwhile protestors among the German Greens. French members declared themselves "offended, scandalised and ashamed."

Mr David Curry, the Tory member for Essex North-East, accused is opposite numbers of "turning this place into a rabble as they have turned Britain into a mass picket."

MEPs lift bar on budget rebates

BY QUENTIN PEEL

BRITAIN AND West Germany will receive EEC budget rebates totalling Ecu 1.2bn (£720m) before the end of the month, following an overwhelming vote yesterday by the European Parliament to release the cash.

The money has already been earmarked for a range of projects in both countries relating to energy, transport and employment schemes, and only formalities remain to be completed before it can be transferred.

Approval for the payments of the money owed for 1983 was given yesterday by MEPs, following agreement by the 10 member states on finance for a supplementary budget to maintain Community spending for the rest of the year.

At the same time, however, they warned that they may block other parts of the EEC budget deal agreed by the Council of Ministers last week, including the 1985 draft budget.

The vote, by 218 votes to 34, was greeted by a "delighted" Mr Malcolm Rifkind, Britain's Minister of State responsible for Europe, as the resolution of "e debt of honour." The rebates were blocked by the Parliament, first because of the failure of member states to agree on long-term reform of finances, and then because of Britain'a refusal to epprove the 1984 supplementary budget.

Britain's share of the Ecu 1.2bn amounts to some Ecu 990m, with its net return amounting to Ecu 750m (£457m). The West German balance amounts to Ecu 211m.

At Parliament's insistence, the rebates have been tide to specific schemes, with Ecu 275m going to British employment projects, Ecu 255m to British energy projects, Ecu 201m on West German energy schemes, Ecu 461m for British transport, and the Ecu 10m balance for West German transport.

The schemes have already been epproved by an advisory committee, so the European Commission can give the go ahead for payments virtually as sooo as it receives formal notification of the Parliament's vote. Some 90 per cent of the cash can be paid out immediately, the balance following after audits of the projects concerned.

Spain aims for another cut in budget deficit

BY TOM BURNS IN MADRID

SR MIGUEL BOYER, Spain's Economy Minister, yesterday unveiled a 1985 budget which be claimed combined eusterity in spending and moderation over fiscal measures. His chief target is to reduce the budget deficit from 5.5 per cent of gros domestie product this year to 5 per cent next year.

He reaffirmed the guiding priociple of "realism" that has dominated the Socialist Government's economic strategy and given priority to controlling state spending and curbing inflation.

Government expenditure will rise to Pta 6,091bn (£28bn) next year, 12.8 per cent above the 1984 figure but revenue is planned to rise by 17.4 per cent to total Pta 4,775bn. Sr Boyer said the budget deficit would total Pta 1,421bn, or half e percentage point down on te previous shortfall in GDP terms.

Reducing the deficit has been the main theme of Sr Boyer's stewardship of the economy and he stressed that in the 1984 budget it had been successfully reduced to 5.5 per cent of GDP against 6 per cent in 1983.

Despite the planned 17.4 per cent rise in revenue, tax increases would be minimal, Sr Boyer said. He expected the extra income to be obtained by improved management by be revenue authorities and a more effective clampdown on tax evasion.

GDP is expected to increase next year by 3 per cent against 2.5 per cent this year and 2.2 per cent in 1983. Inflation is forecast to stand at 9 per cent, by the end of the year.

Yugoslavia in road loan deal with EIB

By Aleksandar Lebl in Belgrade

YUGOSLAVIA AND the European Investment Bank (EIB) are expected this week to sign an initial agreement for an Ecu 60m (\$42.7m) loan to improve the Yugoslav road link between Greece and other EEC states.

It will be signed by Mr Ernest Border, the EIB president, who, together with his fellow-directors, has made an unusual political gesture towards Yugoslavia by holding a regular EIB board meeting in Belgrade. The first time one has been held in a country which is neither a member of nor formally associated with the EEC.

After yesterday's board meeting, the EIB directors are to be briefed today oo the Yugoslav economy by Mr Vlado Klemencic, the country's Finance Minister.

The current five-year arrangement, which gives Yugoslavia as much as Ecu 200m in EIB loans, expires et the end of June 1985. Yugoslavia is hoping for at least Ecu 300m in the next five-year period, in order for lending to keep pace with inflation.

The overall amount of EIB lending to Yugoslavia in the next five-year agreement is one issue to be clarified before the EEC Commission puts a final proposal to the EEC Council of Ministers for approval.

Other issues include the questions of whether EIB money should finance just infrastructure projects in Yugoslavia or also export industries, and whether Yugoslavie will ask for any concessional loans which would be an extra charge on the overloaded EEC budget.

Hitherto, Yugoslavia, unlike many other Mediterranean and developing countries, has paid full commercial rates for EIB money.

One project which may finally start with the financial backing of the EIB next year is the tunnel under the Karavanken mountain separating Yugoslavia and Austria which would secure uninterrupted road traffic all year round.

The cost of the Yugoslav half of the tunnel is estimated at \$140m.

Mrs Jelka Zibert, president of the Transport Committee of the Republic of Slovenia, has stated recently that the republic could finance some 50 per cent of this amount.

The EIB is willing to provide about another \$25m in addition to \$23m already earmarked, and is suggesting that a Dutch banking consortium be included for the remaining \$22m.

Satellite orbit 'is very promising

By David Fishlock, Science Editor, in London

INITIAL British studies of the use of an Earth orbit pioneered by the Soviet Union, for satellite broadcasting in Britain, are proving very encouraging, an electronics industry executive told engineers in London last night.

Dr Alan Rudge, managing director of ERA Technology a research company in Surrey, was addressing the Institution of Electrical Engineers as the new president of its electronics division. He said the Molniya orbit might be of significant benefit to the UK in particular, in avoiding growing congestion in the geostationary orbit.

The inclined, highly elliptical Molniya orbit goes out to an altitude of 39,500 km from the Earth, compared with 35,700 km for the circular, geostationary orbit.

The Soviet Union already uses the Molniya orbit for the world's first domestic satellite broadcasting system, providing television, voice and telegraph transmission to about 50 ground stations near big cities.

It also carries the "hotline" between the Kremlin and the White House, Dr Rudge said.

For Britain, the Molniya orbit might offer a satellite vertically overhead for an eight-hour period.

Three such satellites would provide Britain with an excellent 24-hour "sky-hook" for a domestic broadcasting system providing such services as direct broadcasts or mobile telephony, Dr Rudge said.

The UK's Science and Engineering Research Council had supported initial research into the feasibility of such a system and that showed it was very encouraging.

Industrial support was being sought for a demonstration project, called the communication engineering research satellite.

Total world investment in satellites had recently been estimated at \$13bn, Dr Rudge said.

He gave a warning of the intensity of Soviet activity in space. Of a total of 2,513 known space launches, up to 1983, the Soviet Union accounted for 1,636 – more than three fifths – and about 2,300 payloads.

American space launches totalled only 882. Dr Rudge said the figures "provided some thought-provoking comparisons with regard to future leadership in the exploration and exploitation of space.".

FINANCIAL TIMES, USPS No. 190640, published daily except Sundays and holidays. U.S. subscription rates \$420.00 per annum. Second class postage paid at New York, N.Y. and at additional mailing centres. POSTMASTER: send address changes to: FINANCIAL TIMES, 14 East 60th Street, New York, N.Y. 10022

European chip makers take a grand gamble

Guy de Jonquieres explains how the Japanese and American lead in the semiconductor industry left Philips and Siemens little option but to invest in the future on a large scale.

THE JOINT PROJECT between Philips of the Netherlands and West Germany's Siemens to develop and make advanced microchip memories is the most ambitious attempt yet to reverse the European semiconductor indnstry's declining position on world markets.

It is a major gamble, which will require huge commitments of resources and a willingness to compete head-on with the U.S. and Japanese companies which dominate the semicondoctor industry. However, it is one which the two companies and their national governments believe they have no option but to take.

The Bonn Government, in particular, has been growing increasingly alarmed about Europe's lag in microelectronics technology which, it fears, could jeopardise the future competitiveness of a wide range of German industries. Earlier this year, it launched a DM 3bn (£791m) spending package to support a number of high-technology projects.

According to Dataquest, the U.S. market research firm, European-owned suppliers accounted for less than 10 per cent of the \$22bn world semiconductor market last year. Even in Europe, they captured only 40 per cent of total sales worth \$3.4bn. The U.S. companies accounted for half of European sales and Japanese suppliers for the rest.

However, crude market share figures do not tell the full story. The European chip industry has also trailed the U.S. and Japan in developing mass-produced "standard" components such as memories and pioneering the high-precision techniques needed to make them.

TOP TEN MICROCHIP SUPPLIERS ON THE EUROPEAN MARKET
(figures \$m for 1983)

Texas Instruments (U.S.)	281
Philips (Netherlands)	275
Motorola (U.S.)	179
National Semiconductor (U.S.)	150
Intel (U.S.)	150
Siemens (W. Germany)	122
Hitachi (Japan)	111
NEC (Japan)	103
SGS-ATES (France)	88
Thomson (France)	88

Source: Dataquest

The "standard" chip market is ferociously cyclical and price competition is severe. But it provides a vital stimulus to technical innovation because it compels manufacturers to search for ingenious ways to pack ever more circuits on a chip and to maximise output volumes. The lessons learned can be widely applied to other types of electronic component.

Philips and Siemens have chosen to jump in at the deep end. Though both companies make "standard" memories, neither has hitherto been regarded as a world champion. That honour is claimed by Japanese companies, which have captured more than half the world market for 64K Dynamic Random Access Memories (D-Rams), the most advanced type of memory chip widely in production.

The one megabit and four megabit memories which Philips and Siemens plan to make from 1989 will be able to store 16 and 64 times more data respectively than 64K D-Rams. Only two or three other companies worldwide are thought already to be developing similar products.

One of the toughest challenges facing the project will be to reduce still further the width of the already microscopically fine circuits etched on the chip surface. At present, the practical limit is a width of about 1.5 microns, or thousandths of a millimetre. Philips and Siemens have set a target of 0.5 to 0.7 microns.

Siemens, which has sharply stepped up spending on chip development in the past two years, has already approached that goal in the laboratory. But achieving it in mass-production presents a different order of problem and will require the most edvanced and expensive equipment available.

Initially, most of it is expected to come from the U.S. and Japan. But the project will also be used as a test-bed for semiconductor production tools being developed in Europe, such as X-ray lithography, a sophisticated technique for etching circuits on silicon.

Philips and Siemens aim to capture between 5 and 10 per cent of the world memory market by 1990, when it is expected to be worth about \$10bn. This may seem a relatively modest goal, but achieving it profitably will involve some finely-balanced commercial judgments.

According to M Jean Suhner, head of European market research for Motorola, the leading U.S. microelectronics manufacturer, the size of the market for the products which Philips and Siemens plan to make is "anybody's guess."

A critical stage will be reached in 1986, when the two companies will have to commit themselves to firm production plans. They are expected to make the components at three plants initially, but precise volumes and the rate at which they will be expanded have still to be decided.

The hope in Bonn and the Hague is that public support for the early stages of the project will have the same catalytic effect as did the Japanese Government's backing for an industry programme to develop microchips in the 1970s.

If it works, authorities in the two capitals believe, the project will generate valuable spin-offs which can be widely applied by the European electronics industry. But they also admit that the risks are high and that it is still uncertain whether Europe can transform high-technology from a business which costs money into one which makes money.

Turkish soldiers killed

BY OUR ANKARA CORRESPONDENT

EIGHT TURKISH soldiers were killed on Tuesday by Kurdish guerrillas in an area of the country which has been visited this month both by Prime Minister Turgut Ozal and President Kenan Evren.

Their vehicle came under fire near Cukurca close to the Iraqi border, martial law authorities said.

Turkish troops have been hunting Kurdish guerrillas in the area since they raided the towns of Eruh and Semdinli on August 15, killing two soldiers.

Kohl says China backs German unification

BY MARK BAKER IN PEKING

CHINA HAS given strong support to the reunification of the two German states at a meeting with Chancellor Helmut Kohl. China's leader, Deng Xiaoping, emphasised Peking's backing for the idea.

Herr Kohl said Deng had also expressed "great support" for an early rescheduling of the cancelled visit to Bonn by President Erich Honecker of East Germany.

The Chinese stand is unlikely to improve its strained relations with the Soviet Union, which is firmly opposed to the concept of German reunification and which moved to undermine Herr Honecker's planned visit to West Germany last month.

The Chancellor said Deng had shown himself to be "a champion of European unification," and especially German reunification. "I couldn't wish for better or stronger support. I only wish there was the same support in all the chanceries of Europe," he said.

"The two of us agreed that the general state of affairs (in Germany) was unnatural," Herr Kohl said. "But we saw it not as a topic on the international agenda and agreed it would be a long time before it would be."

Austria says it is ready to grant provisional asylum to the East Germans occupying the West German embassy in Prague and seeking asylum in the West, according to Reuter in Vienna quoting the Austrian APA news agency.

He told a news conference in the Great Hall of the People: "For us Germans it is of particular significance that a country of the importance of the People'a Republic of China stands up for German unity."

In answer to questions, be said there was no reason for the Soviet Union to feel mistrust about the strengthening friendship between West Germany and China, including the reunification issue. "The intensification and improvement of relations with China is not directed at anyone. This should not give rise to problems or fears."

He did not believe it was necessary to have a "go-between" on the reunification issue, but China's moral support was important. "The Federal Republic of German is living in a particularly exposed position in the world. It needs good friends," he said.

The Chancellor, who is on a week-long official visit, said Deng shared his hope that disarmament talks would be resumed after the U.S. Presidential elections. The Chinese leader was more optimistic about the prospects of avoiding nuclear war than be bad been when they met 10 years ago, be said. "He saw a real and genuine chance of opposing such trends."

Nato deploys almost half Pershing missiles

BY BRIDGET BLOOM, DEFENCE CORRESPONDENT

NEARLY HALF of the 108 U.S. Pershing 2 missiles due to be deployed to West Germany have arrived but fewer than one in 12 of the new Cruise missiles are in Europe, according to reports from the U.S.

Nato defence ministers meeting in northern Italy today will be given a full report of the deployment of the medium range missiles from Mr Caspar Weinberger, the U.S. Defence Secretary. The deployment began last November, provoking a Soviet walkout from the Geneva Euromissile talks which were aimed at limiting the U.S. weapons and their Soviet counterparts, the SS-20s.

Nato agreed in 1979 to deploy 108 Pershing 2 and 464 U.S. Cruise missiles between 1983-86 unless an armed agreement were concluded first. Since late last year the Pershings have been deployed at the rate of one a week, giving an estimated current total of 48. However, it is understood that only 32 Cruise missiles have so far been deployed—half in Britain and half in Italy.

Mr Weinberger is expected to say that the U.S. believes Moscow is preparing to build at least 10, and possibly as many as 14, new SS-20 sites. Currently 378 are deployed, each of which has three warheads.

The Nato ministers are meeting as the Nuclear Planning Group. The NPG, which does not include France or Iceland, was set up primarily as a forum for the U.S. to inform Nato's non-nuclear states of nuclear developments considered to involve the alliance as a whole.

Mr Weinberger will also report on moves to strengthen security against terrorist attacks on U.S. nuclear bases in Europe. However, it appears that he will be unable to report progress on the removal of up to 1,400 so-called battlefield, or short-range, nuclear weapons from Europe.

It was agreed at a much publicised meeting at Montebello in Canada last year to remove these weapons over the next few years. Gen Bernard Rogers, Nato's Supreme Commander and his staff were left to decide precisely which weapons should go, and officials say their study is not yet complete.

At the last NPG meeting in Turkey in April, several European ministers expressed disquiet at the implications of the U.S. Strategic Defence Initiative—known as "Star Wars"—for Nato's nuclear strategy and for efforts to achieve arms control agreements. Senior European officials say little bas happened since to reassure them and the issue could again prove contentious.

European ministers are also expected to take the opportunity of putting finishing touches to their plans to meet at least twice over the next few weeks to discuss improving European defence co-operation.

Defence and foreign ministers of the seven-nation Western European Union, which includes Britain, France, Italy and West Germany, will meet in Rome at the end of this month, while all European Nato defence ministers are planning to meet in November in the Independent European Programme Group (IEPG). It will be the first time the IEPG will have met at such a senior level to discuss the collaborative production of weapons systems.

France plans supplementary defence budget

By David Housego in Paris

THE FRENCH Government is planning a supplementary budget to help finance France's operations in Chad and Lebanon.

M Charles Hernu, the Defence Minister, said the additional cost involved in stationing French troops in Chad (above what would be normally involved in their upkeep) was roughly FFr 1.5bn (£130m). The equivalent cost for the Lebanon operation was FFr 700m. The armed forces would cover part of the cost themselves through savings, but a supplementary budget would also be needed.

Presenting the 1985 defence budget, M Hernu also said he expected to take a firm decision in 12-18 months on whether to buy Boeing Awac aircraft to provide improved early warning defence or whether it would seek British and West German participation in a European aircraft. M Hernu said that if France chose the Awacs, it would seek compensation from the U.S. in terms of increased U.S. purchases of French military equipment.

Overall the budget projects defence expenditures of FFr 150.2bn (£13bn), 5.7 per cent more in nominal terms than the defence estimates of this year, but virtually stagnant in constant prices depending on assumptions about the inflation rate.

The main savings have been obtained by cutting back on troop exercises, fuel bills and other items

Bonn dithers over longer national service

BY RUPERT CORNWALL IN BONN

THE Free Democrats (FDP), junior members of the West German centre-right government, are dragging their heels on proposals to extend military service—a measure considered essential if the army is to be kept up to strength in the 1990s.

A firm decision on increasing national service from the present 15 months to 18 months had been expected from next Wednesday's cabinet meeting, which is due to set guidelines for the armed forces almost until the end of the century.

Such a move is sooner or later unavoidable, as a result of the declining West German birthrate, if the Bundeswehr is to stay at or near its present strength of 490,000—to which it is committed within Nato.

Now, however, it looks as if the problem will be addressed only in the vaguest fashion. The clearest pointer came this week with a comment by Herr Hans Dietrich Genscher, the FDP leader and Foreign Minister, that a longer draft was "at the bottom of the priority list."

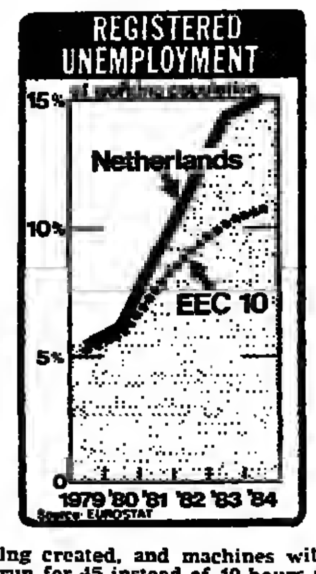
Dithering by the Government here is unlikely to be looked upon too kindly by West Germany's allies. But political considerations increasingly argue for putting off a firm decision until after the 1987 federal elections. These are particularly acute in the case of the FDP, fighting for its political life and fearful of anything which could damage its wilting popularity among younger voters. But Chancellor Helmut Kohl, of the CDU, has also hinted that his party is not immune from such worries.

Instead, the FDP is suggesting that the shortfall might be made good partly by ensuring that more West Germans of military age in fact go through national service. Currently 32 per cent of them escape, some as conscientious objectors, a right granted by the constitution.

But Defence Ministry planners disagree. They have drawn up three options for the Government, embracing maintenance of the present strength, a small cut to 465,000 or even a deeper one to 430,000. All imply a lengthening of national service by three months.

Peter Spinks on Dutch hopes for a cut in hours

Netherlands looks for more jobs in a shorter work week



THE DUTCH wage bargaining round, which begins in earnest this week, will concentrate this year not on wages, but on shortening the 40-hour working week. The change follows agreement between the Government, the unions and the employers to cut hours to provide jobs and help economic recovery.

The new emphasis on shorter hours comes as latest figures from the Social Affairs Ministry show that unemployment fell in the Netherlands in September for the first time in seven years. The September jobless total was 819,400, about 13,500 less than in August and about 5,000 lower than a year ago. Percentage figures have not been released, but the August figure of 17.8 per cent was one of the highest in the European Community.

The Dutch Government believes that shorter working hours can lead to increased output if they are accompanied by flexible restructuring of working time and, if necessary, by an extension of the total operating hours of factories.

The unions, however, are strongly against a working day longer than nine hours and against wage cuts to finance shorter hours. Mr Herman Bode, leader of the Netherlands federation of trade unions (FNV), has warned that shorter working hours should not mean that existing staff "work harder and faster to compensate."

The FNV itself is clearly split on the issue. Four unions representing public service workers claim that they are "paying twice as much" for shortened hours as are private sector employees, due to new jobs being funded by reductions in real incomes. The Government has announced plans for 15,000 civil servants to work a 32-hour week from next year.

These unions would prefer a gradual two-stage reduction in working time, beginning with a 36-hour week in 1986, with a pause for evaluation before the envisaged 32-hour week is introduced by 1990. They also oppose the present system under which a high proportion of newcomers to the labour market, especially in the civil service, work a 32-hour week on reduced wages.

The government has pledged not to interfere in private sector negotiations over shorter hours and several Dutch companies have already made such agreements. Daf trucks has been operating an experimental 36-hour week since May for factory staff and a 37½-hour week for office personnel.

A nine-hour day, four-day week came into operation last week at Flexovit, an abrasives factory with a staff of 175. As a result 15 additional jobs are being created, and machines will run for 45 instead of 40 hours a week.

Akzo, the Arnhem-based chemicals group, began a 38-hour week in July for its 22,000 employees, maintaining the normal eight-hour day but giving 13 extra days off a year. It expects to create 400 new jobs and to save 500 others over two years. A company spokesman says that there are fewer problems with shortening the hours of production workers, whose jobs are interchangeable, than those of more specialised administrative personnel.

Philips, the Dutch electronics multinational, recently agreed to introduce a 38-hour week from next January by allowing 26 half days off a year. Employees whose jobs do not permit this will have their daily schedules adjusted, or be given the option of accumulating free days over 15 to 20 years in the form of extended leave or early retirement.

One-day protest strike in Malta

BY GODFREY GRIMA IN VALLETTA

MALTA'S confederation of trade unions (CMTU) claimed yesterday that as many as 20,000 government and private sector employees took part in yesterday's one-day strike called in protest against the Government's handling of a dispute with teachers.

The CMTU is opposed to the Government locking out state-employed teachers. Since the lock-out, three weeks ago, teachers have come out on strike.

A CMTU statement yesterday said its action proved to be the most successful stoppage ordered in 20 years. Government departments, state-run commercial banks, industrial outfits and retail businesses, where CMTU-affiliated trade unions enjoy most support, were particularly affected, the statement said.

Government officials countered these claims by producing lower percentages for people not working. At one time, the number of striking government workers was put at between 10 and 15 per cent.

Whatever the success of yesterday's action, Prime Minister Dom Mintoff's Government is still resolved not to reopen talks with the teachers' union, the Movement of United Teachers, before it withdraws its work-to-rule directive. The union, on the other hand, wants the Government to go back on its lock-out decision.

The three-week strike by state-employed teachers has impeded state schools from effectively starting a new term after the summer holidays. Although schools have reopened they are run by strikebreakers, retired teachers and supporters of the Government, while close to 85 per cent of teachers remain out on strike.

OVERSEAS NEWS

Unions set to apply pressure on Hawke for industry reform

BY MICHAEL THOMPSON-NOEL IN CANBERRA

ONLY TWO days after Australian Prime Minister Bob Hawke confidently called a snap general election for December 1, it emerged here yesterday that his Labor Government's plan to control wages and prices, which is the keystone to its election campaign, is likely to come under pressure from trades unions as well as employers.

Dr Andrew Theophanous, chairman of Labor's influential Industry Committee, yesterday said that Australia's unions would increasingly seek Government action on "social" wage levels, industry assistance and industrial restructuring.

"A Labor Government fails if it makes a contract it won't keep," Dr Theophanous said in an interview. Whether the Hawke Government survived after the elections "depends on its ability to restructure industry and a planned way, with the support of unions and employers."

Wages and restructuring are two of the key areas covered by Labor's agreement with Australian Council of Trade Unions (ACTU).

On Tuesday, Mr Bert Evans, director of the Metal Trades Industry Association, said that employers faced the worst of both worlds: declining protection and rising labour costs.

"The much vaunted accord between tha Australian Labor Party and the trade union movement has, in practice, done nothing to assist manufacturing industry become more competitive," Mr Evans said.

Labor holds a big lead in public opinion polls—widening to 55 per cent in favour of Labor from around 50 per cent before Mr Hawke's election announcement—and sees tha election as a formality to consolidate its power.

Yesterday, Government ministers taunted the Opposition in Parliament, and insisted that the accord had cut inflation, helped lower interest rates, boosted employment, lowered real labour costs and restored industrial peace.

Japan may lift sanctions

BY JUREK MARTIN IN TOKYO

JAPAN MAY consider lifting its largely symbolic sanctions against North Korea if the two countries are able to negotiate a fisheries agreement in the coming weeks.

But it is unlikely to proceed with any unilateral initiative to improve relations with North Korea for fear of jeopardising its recently improved ties with South Korea.

The Japanese sanctions, imposed after the Rangoon bombing a year ago this week which decimated South Korean President Chun Doo Hwan's cabinet, prevent any official-level contacts with North Korea and prohibit North Korean Government officials from visiting Japan.

Japanese officials point out that North Korea has yet to admit responsibility for the Rangoon outrage and they note that on Tuesday President Chun had demanded that Pyongyang apologises for it.

Spanish ambassador kidnapped in Beirut

BEIRUT — Two gunmen kidnapped Spain's ambassador to Lebanon, Sr Pedro Manuel de Aristegui, in mostly Moslem West Beirut yesterday afternoon, a Spanish Embassy spokeswoman said. He was released last night.

The assailants stopped Sr De Aristegui's car in front of the Spanish Chancellery in West Beirut's Ramlet al-Baida district, forced him at gunpoint into a green Mercedes and sped off, said the spokeswoman, who refused to give her name.

There was no immediate claim of responsibility for the abduction, which came three weeks after a threat by Islamic Jihad to strike at Spanish institutions if two Shi'ite Moslem Lebanese were not released from jail in Spain.

The group, which has links with Iran is believed responsible for many recent acts of terrorism in Beirut.

The two Lebanese Shi'ites were arrested by Spanish authorities for shooting a Libyan Embassy employee in Madrid. Islamic Jihad said the Madrid assailants were its guerrillas.

A telephone caller told a western news agency on July 15: "Spain has nothing to do with this strife, but on behalf of our comrades in the Sadr Brigades we ask Spain to release immediately Mohammed Abbas Ramad and Mustafa Ali Khalil or otherwise we will take the necessary measures against it."

The "Sadr Brigades" are named after Imam Mousa Sadr, the spiritual head of Lebanon's Shi-ite community, who disappeared during a visit to Libya in 1978. Since then, Shi'ite zealots have attacked Libyan diplomats, blaming the Libyan Government for Sadr's disappearance.

AP

Taiwan displays its spirit of prosperity

TAIWAN celebrated its National Day, the 73rd anniversary of the October 10 1911 revolution that overthrew China's last imperial dynasty, under mostly rainy skies that nevertheless failed to dampen the spirits of those in tha parades and thousands of onlookers, Bob King reports from Taipei.

The soggy festivities could symbolise Taiwan's status in the world today: a vibrant economy and society presided over mostly by technocrats who have vowed to make things even better, but buffeted by political gusts from Peking, and dampened by a diplomatic non-status among major nations.

The Nationalist government which fled Mainland China in 1941 after the Communist victory, still considers itself the rightful ruler of all China.

President Chiang Ching-Kuo, in his address to the nation yesterday, reaffirmed his belief in the eventual demise of communism and the reunification of China under Nationalist rule. Yet beyond the party rhetoric lies the reality: renewed pressure recently from Peking for peace talks and the prospect of a Chinese-ruled Hong Kong that Peking will likely hold forth as a model for Taiwan'a future.

Nevertheless, Taiwan is not Hong Kong and China can do little more than keep the pressure on, through olive branches and appeals to international opinion to try to bring Taiwan round.

Although the Communist pressure remains worrisome it has not stopped the Nationalist government from making its case for a China run under non-Communist principles. It rightfully cites the relative prosperity and well-being of the Taiwanese and is putting increased emphasis on polishing Taiwan, its alternative model for China.

For instance the Government plans to spend almost $20bn over the next six years on 14 major infrastructural projects that include a massed rapid transit system for Taipei, new power projects, an upgrading of the telecommunications system and various social development programmes.

In addition the Government has avowed to lower or remove various trade barriers such as high import tariffs and country of arigin requirements; gradually open Taiwan's financial system; and introduce modern management systems.

Bob King reports on measures to reduce the dangers of resurgent inflation

The embarrassment of too much money

TAIWAN IS in an enviable position: it has too much money. But what would be manna to some governments is poison to Taiwan's, which holds monetary stability as a major priority and which fears rampant inflation may yet again appear here.

To sop up excess money that could trigger inflation, the Government stepped up the issue of Treasury Bills

It has also offered incentives to state-owned and private enterprises to substitute domestic borrowing for foreign currency loans.

The emergency measure has meant significantly less lending for foreign bank branches here, where foreign exchange is still tightly controlled. For instance, syndicated borrowings fell to zero during the first half of this year, compared with U.S.$94.3m during the same period last year. And across the board, banks report slackening demand for U.S. dollar loans.

Taiwanese economic planners have tried to control inflation tightly for decades. It flared briefly out of control during late 1979 and early 1980, when easy money and a certain amount of greed set off a property - price spiral that eventually almost doubled housing prices and dragged the prices of many commodities along with it.

Alarmed Central Bank officials, perhaps remembering the inflationary spiral that preceded the collapse of the Nationalist Government in Mainland China 35 years ago, moved in with severe measures to kill the speculation.

The growth of the consumer price index was cut to an annual rate of less than 10 per cent by the end of 1980 from more than 20 per cent at the beginning of the year.

But problems—perceived or real—loom on the horizon for Taipei's mighty inflation-slayers. Taiwan's economic engine, fueled largely by exports that account for about half of GNP, has been running near flat-out over the past several months and will probably produce the fattest trade-surplus in the island's history this year. The surplus, in turn, generates more Taiwan currency than the market can absorb and provides fuel for inflation.

Also, the fat surplus has proved politically embarrassing for Taipei, which is under increasing pressure from many foreign nations to import more and thus swing the trade scales closer to balance-point. Taiwan's worldwide trade surplus will probably reach US$8bn this year, up from US$4.8bn in 1983. Trade with the U.S. alone will probably generate a US$10bn surplus, compared with US$6.7bn last year—and may further antagonise an increasingly protectionist Congress.

Increased imports would lessen Taiwan's excess liquidity and the political problems that arise from it. But Taiwanese businessmen show no signs of readiness to invest in new plant and equipment, which the Government has long urged as a way of upgrading output and which would go a long way towards soaking up excess foreign exchange earnings.

Also, the Government's often-stated intent to liberalise import-controls—though long on numbers of items whose tariffs have either been reduced or eliminated—has to date proved short on items of substance, such as machinery and electronic consumer-goods.

Without increased imports to cut foreign exchange reserves, which rose more than 40 per cent to U.S.$16bn in early October over the same month last year, Taiwan is forced to resort to other measures. For instance, it is issuing treasury bills, used here to control the money-supply rather than fund state projects, at a vastly increased rate: so far this year NT$29.4bn and redemptions to date total NT$16bn, compared with NT$13.4bn for all of last year.

But Taiwan's planners are also taking advantage of the spread between the Taiwan and U.S. prime lending rates—of up to 4 per cent—as an inducement to local companies to borrow more NT$ and fewer U.S. dollars—not so much to reduce its foreign debt as to soak up excess money.

The Taiwan prime lending rate of 8.25 to 10 per cent, set by the Central Bank, compares more than favourably with the current U.S. prime of 13 per cent on which foreign bank branches here base their interest-rates. Even after service charges, businessmen come out way ahead.

The 31 foreign bank branches here, barred from NT dollar lending, are feeling the pinch. Taiwan's foreign debt dropped below U.S.$8bn in July from U.S.$9.2bn a year earlier, and as demand for loans slackens, foreign banks are increasing their acceptance business to keep pace.

But the Central Bank's current solution to the threat of inflation is short term: government policy has long called for industrial upgrading, and that means a balanced focus on both exports of higher quality goods and imports of higher quality plant and technology to sustain them. But until Taiwanese companies overcoma their reluctance to reinvest, the trade surplus will stay fat and keep up the inflationary pressure.

Saudi supply and demand in 'better balance'

By Doug Graham in Riyadh

THE Saudi Arabian Monetary Agency (Sama), the Kingdom's central bank, has reported that the country has begun to achieve "a better balance between supply and demand in commodities and services through providing agricultural and locally produced commodities at retail prices below those of imported goods."

The better equilibrium is probably due more to other factors. As happened last year, inflation was held low primarily because of falling rents. Saudi Arabia suffers from an over-supply fo commercial and residential property. Some big commercial centres have reduced rents by as much as 30 per cent.

The overall inflation rate was zero for the year ended September 30.

A lower number of expatriates has contributed to a declina in retail activity. The resulting competition has meant profit margins have been shaved. Car dealers, too, are offering discounts, which once again cuts into the rate of inflation.

Sama's statistics show that wheat production in 1983/84 rose by 65 per cent to 885,000 tonnes, which will cover 90 per cent of domestic consumption. By the end of this year's harvest production will have reached 1.3m tonnes.

Sama also said that the Kingdom is producing an average of 4.5m barrels of oil a day.

Gulf oil meeting

THE Gulf Co-operation Council national oil companies, which met in Bahrain to discuss marketing strategies for two days this week, have decided to meet again, probably in six months time, Mary Frings reports. They will then assess results of studies being carried out into future supply and demand for Gulf exports, particularly the extra 1m barrels a day of products from additional refining capacity in tha region coming on stream by 1986.

Pretoria warns over UK MP's visit to fugitives

BY ANTHONY ROBINSON IN JOHANNESBURG

MR NEIL KINNOCK'S decision to send Mr Donald Anderson, the British Labour Party's spokesman on Southern African affairs, to South Africa to meet the three anti-apartheid activists still occupying the British Consulate in Durban could further embitter Anglo-South African relations, Mr Pik Botha, the South African Foreign Minister, warned yesterday.

While the South African Government could not prescribe who should or should not visit a foreign consulate the British Government would be in further breech of its international obligations if it allowed Mr Anderson to visit the three dissidents, he said.

"While the South African Government has always said it would welcome fact-finding missions by leading members of the British Labour Party it feels constrained to draw attention to the blatantly political nature and purpose of Mr Anderson'e intended visit," he added. However, Mr Botha made clear that Mr Anderson would not be refused entry into the country.

Robert Mauthner, Diplomatic Correspondent, adds: Mr L. H. Evans, the Minister at the South African Embassy in London, who yesterday handed over an aide-memoire to the Foreign Office protesting against an Independent Television News interview of the "three" in the British Consulate in Durban, was assured by a senior British official that it was conducted without the knowledge or permission of Durban consular staff.

The South African official was told by the Foreign Office that the interview was "a clear breach of the assurances" given earlier to the British Consul by the fugitives.

"The Consul has now told the three that we are taking a very serious view of their action and we are awaiting their response," a Foreign Office spokesman said.

Opposition group says ban would exacerbate crisis

BY OUR JOHANNESBURG CORRESPONDENT

THE UNITED Democratic Front (UDF) yesterday responded to thinly veiled government warnings of an impending ban on the organisation by declaring that suppression "will contribute nothing towards alleviating the present crisis and will in fact exacerbate it."

The front, a loosely organised umbrella organisation grouping 645 affiliated groups with a claimed membership of 2m, was formed a year ago to organise opposition to the new tricameral constitution. One of its presidents, Mr Archie Gumede is among the three men holed up in the British Consulate in Durben and 16 UDF officials are currently held in detention.

Last Friday Mr Louis Le Grange, the minister for law and order, launched a strong attack on the Front alleging that it was little more than a cover for the banned African National Congress (ANC) and accusing it of instigating the violence which has swept the black and Coloured townships in recent weeks.

Mr Le Grange said that more than 90 per cent of UDF office bearers had previously been linked to the ANC and other banned organisations, and accused the front of having "the same revolutionary aims as the banned ANC and South African Communist Party and is actively preparing a revolutionary climate."

At a press conference yesterday UDF spokesmen denied that it was linked to the ANC and insisted that it was dedicated to achieving democratic change in South Africa by lawful and peaceful means.

Congress approves Trade Bill with protectionist clauses

BY STEWART FLEMING IN WASHINGTON

THE U.S. Congress has approved a package of trade measures which will allow the United States to continue to give developing countries duty-free access to many products produced by developing countries but which modifies some trade laws to make it easier for domestic industries to seek protection.

The Bill which President Ronald Reagan is expected to sign into law shortly, was stripped of many strongly protectionist measures in a House Senate conference committee last week.

Thus for example, the law was not strengthened to allow U.S. companies to sue for increased protection on the grounds that foreign exporters are using subsidised natural resources to the manufacture of their products.

But in some areas, such as granting the right to bring unfair trade cases against products being made with subsidised parts, the legislation tightens U.S. trade legislation.

In the House of Representatives, only one vote was cast against the legislation – by Mr Philip Crane, a Republican from Illinois, who said he considered the provisions allowing grape growers to bring unfair trade suits against wine imports and the tightening of laws to protect steel manufacturers were too protectionist.

The Bill contains a provision to make voluntary restraint agreements which the U.S. reaches with foreign steel manufacturers, legally enforceable at the U.S. border.

The Administration has been claiming that the legislation as finally written is far less protectionist and more pro-trade than seemed likely to be the case three weeks ago when it began to move through Congress.

But the remaining protectionist elements in the legislation are worrying some trade specialists. The Common Market countries, prompted by the French, have complained that the provisions relating to the wine trade violate international trade rules and the EEC plans to seek consultations with the U.S. on this issue.

Separately yesterday, there were reports that President Reagan will shortly receive a recommendation that the U.S. should take a more aggressive line on trade policy and begin to use its economic muscle to force trading partners to drop unfair trade practices.

A draft report prepared by the President's Task Force on International Private Enterprise recommends that the U.S. set up ao economic security council one of whose jobs would be to address problems in the economic relations, particularly the trade relations, of the U.S. and the developing world.

The draft report is only a staff paper at this stage but officials expect the final report to be substantially unchanged. It recommends that the U.S. take more vigorous action to protect its markets against predatory trading practices.

The Task Force is beaded by Mr Dwayne Andreas, chairman of the agricultural products concern Archer-Daniels-Midland. Mr Andreas is recognised as e powerful figure among the businessmen close to the Republican Party and to President Reagan.

U.S. faces court test of actions in Honduras

By A. H. Hermann, Legal Correspondent

THE training of Salvadorean soldiers in Honduras by the U.S. army may receive an airing in U.S. courts as a result of a decision by the U.S. Court of Appeals for the District of Columbia to allow an action against Mr Caspar Weinberger, Secretary of Defence, and others to go ahead.

The action was brought by Mr Temlstocles Ramirez de Arellano, a U.S. citizen, wbo is an important businessman and property owner in Honduras. He claims that the U.S. Government is operatin gale rge military facility on his private ranch without permission or lawful authority in violation of the U.S. Constitution.

It apears, however, that the Government of Honduras started expropriation proceedings in respect of the property occupied by the U.S. army, at at least in respect of a part of it.

Afte protesting vainly at the U.S. embassy in Honduras, Mr Ramirez brought a complaint in the U.S. District Court in Washington asking for a declaration that the U.S. army's occupation of his land was unlawful. He also asked the court to order the U.S. army off his property in Honduras. The District Court dismissed the complaint without dealing with the alleged facts, simply on the ground that the dispute involved a political question which was outside the competence of the courts.

This decision was reversed on October 5 hy the Court of Appeals, which beld, by a majority opinion, thaq the complaint fell within the jurisdiction of U.S. courts and that the plaintiff had the necessary standing to bring it,

Argentina in fresh Falklands initiative

BY JIMMY BURNS IN BUENOS AIRES

ARGENTINA has embarked on a major diplometic offensive over the Falklands. High level Foreign Ministry officials in Buenos Aires yesterday said they heve been preparing a United Nations motion calling for an early resumption of talks on the issue of sovereignty under the auspices of the UN Secretary General. The motion is roughly in line with what was presented in the General Assembly last year.

However, diplomatic sources here believe the draft motion has been substantially revised so as to placate Britain's European partners, France, Greece, West Germany and Italy.

This would substantially enhance the vote in favour of the Argentine motion at the UN which in previous years has centred on Latin America and the non-aligned movement.

Foreign Ministry officials denied speculation that the new draft bad removed all reference to "colonialism" or "sovereignty."

Nevertheless, it is believed that M Antoine Blanca, France's ambassador to Argentina, has recommended that France vote in favour of the revised motion which is regarded as much more digestable than last year's.

A final push to win over the French vote—to insure a domino effect on the others—is expected to be made by President Raul Alfonsin during bis visit to Paris on October 23.

The UN bas historically been dismissed by Britain as an adequete forum for discussing the Falklands issue. However, Argentine officials see the forthcoming debate—due in early November—as a necessary international eiring of what is considered a priority of foreign policy.

The calculation is that Argentina's recent agreement with the International Monetary Fund and the settlement in principle of the Beagle Channel Dispute with Chile has restored the country's image as a responsible democracy commited to non-belligerence.

Sr Dante Caputo, Argentina's Foreign Minister, and his Chilean counterpart, Sr Jaime del Valle, are expected to arrive in Rome before October 20 to initial the Beagle agreement.

Government officials here expect that a nationwide referendum due to he held within 30 days of the Rome meeting will be won by the Government by over 65 per cent in favour of the Papal proposal.

With the final agreement with Chile end a huge vote in their favour at the UN, Argentine officials hope that the stage will he set for a new round of talks with Britain early in 1985.

In spite of some belligerent rhetoric on the Falklands issue in recent weeks, Argentine officials yesterday reiterated their wish to re-establish an "open and flexible" dialogue with Britain.

The Alfonsin Administration still believes that the most "imaginative" way out of the deadlock is for both sides to fudge the issue of sovereignty in an initial round of talks.

Argentine still is insistent on linking the resumption of trade and diplomatic relations to a discussion of sovereignty but is prepared to he flexible on specific timeframes.

MR DAVID STEEL, the British Liberal Party Leader, is expected to meet with high level officials from the Argentine Government in Panama this week, Tim Cooke writes from Managua.

Mr Steel, who has been attending a Liberal International meeting in the Nicaraguan capital Managua, is to travel on to Panama for the inauguration today of Sr Nicolas Ardito Barletta as Panamanian President.

It is understood that Mr Steel will meet with Argentina's Vice President and/or the Foreign Minister and is to discuss what "mechanisms" the Argentine Government is seeking for a re-establishment of normal relations between Britain and Argentina, and why the previous talks between the two countries broke down in Berne.

Shultz in El Salvador for talks with Duarte

By David Gardner in Mexico City

MR GEORGE Shultz, U.S. Secretary of State, flew to El Salvedor yesterday for talks with President Jose Napoleon Duarte in the wake of the Salvadorean leader's offer of peace talks with left wing insurgents who have been fighting successive U.S.-hacked governments in El Salvador for four years.

Sr Duarte's offer, accepted by the rebels, is for a meeting next Monday with insurgent leaders in the guerrilla-held town of La Palma near the Honduran frontier. The proposal has led to a flurry of regional diplomacy which has temporarily eclipsed the Contadora peace plan for Central America, originally due to have ben signed next Monday.

Though it is unclear whether Sr Duarte made his offer after consultation with Washington, the U.S. could derive substantial diplomatic benefit from a limited approach to the guerrillas.

The U.S. has up till now insisted that any negotiations with th rebels he carried out from a position of clear military advantage and has this year more than doubled the flow of aid and ermaments to the Salvedorean armed forces in an attempt to wear down the guerrillas.

The Duarte initiative would, however, bring pressure on left-wing Nicaragua to open talks with U.S.-becked "Contra" forces operating out of Honduras.

The Contadora peace plan, which Nicaragua was the first to sign two weeks ago but which the U.S. received with misglvings, calls for "national reconciliation" in Central America and tends to equate the Salvadorean rebels and the "contras," even though the latter are externally based, financed and armed.

Bahamas Premier forms nine-member Cabinet

BY NICKI KELLY IN NASSAU

SIR LYNDEN PINDLING, the Prime Minister of the Bahamas, has announced the formation of a nine-member Cabinet following the resignetion of three ministers and the dismissal of two others.

Sir Lynden, whose handling of his personal finances has become a source of major controversy, said he would take over the Ministry of Finance, replacing Mr Arthur Hanna, formerly Deputy Prime Minister and Minister of Finance.

Mr Hanna resigned on Monday after an unsuccessful attempt to force Sir Lynden's resignation. Two of his supporters, Tourism Minister Mr Perry Christie and Housing Minister Mr Hobert Ingraham, were dismissed shortly after.

The ex-ministers said they felt the Prime Minister sbould step down in the light of information concerning his financial affairs and business involvements uncovered by a commission inquiring into drug trafficking.

While making no specific reference to the commission's revelations of widespread corruption, the Prime Minister admitted that the Bahamas had suffered "severe political and economic damage over the past year for which as leader he must take responsibility.

Sir Lynden also acknowledged "some serious errors of judgment."

Costa Rica aims to extend maturity of bond issues

BY PETER MONTAGNON, EUROMARKETS CORRESPONDENT

COSTA RICA is to seek to extend tbe maturity of some $92m (£77m) in bond issues maturing next year as part of a new round of rescheduling of commercial bank debt.

Sr Frederico Vargas, Minister of Foreign Debt, has begun sounding out the lead managers of the issues concerned on the possibility of a voluntary extension at the request of the steering committee of creditor banks which is chaired by Bank of America.

The hanks want to see the maturity of the bond issues extended out of fears thet they may otherwise be forced to pump edditional credit into Costa Rica's ailing economy. However, their insistence risks sparking a revival of the bitter controversy that developed in the bond market when Costa Rica first scheduled its debt two years ago.

Costa Rica agreed to seek a voluntary extension from bond holders and since its rescbeduling has succeeded in persuadiog a limited number to eccept deferred repayment. A much larger amount of issues are maturing next year, which means that the bond issue prohlem could begin to have a significant effect on both the country's foreign exchange cash flow and the attitude of creditor hanks towards rescheduling.

Bill to protect designs of semiconductors approved

BY LOUISE KEHOE IN SAN FRANCISCO

LEGISLATION to provide, for the first time, intellectual property protection for semiconductor chip designs has been given final approval by the U.S. House of Representatives and the Senate.

The "chip protection Bill," approved hy the Senate last week, was passed unanimously in the House on Tuesday. It now goes to the President where it is expected to be approved.

Passage of the legislation will provide the same type of protection for semiconductor desigus as is currently available for phonograph records. This is a 10-year protection of the design rather than the 50 years provided by copyright law.

Protected hy the bill are "masks," akin to photographic negatives, which are used to inscribe the minute patterns of an integrated circuit onto a slice of silicon. The Bill prevents copying of a mask without appropriate compensation to the designer.

The Bill has been strongly supported by the U.S. semiconductor industry. "It represents a very significant protection of intellectual property and will encourage greater investment in semiconductor design," said Mr Thomas Hinkleman, president of the Semiconductor Industry Association, a trade group that represents U.S. and European semiconductor manufacturers.

The U.S. industry sought protection for its chip designs following "widespread international abuse involving Japan and other areas," said Mr Hinkleman. There had also been cases of domestic abuse, he added. The legislation provides an incentive for other countries to pass similar legislation.

United States companies are given a one-year period during which they are prevented from copying foreign chip designs if their country of origin is taking similar protection measures. Japan and Korea are already drafting chip protection legislation.

The legislation, in various forms, had previously received unanimous support in both the Senate and House of Representatives. According to the SIA the Administration has also been strongly supportive

During joint committee proceedings to address differences between the House and Senate versions several changes were, however, introduced including the addition of several unrelated actions. One of these, a measure to provide funding for state institutes for police training, is opposed by the Administration.

Emergency spending law passed

By Our Washington Correspondent

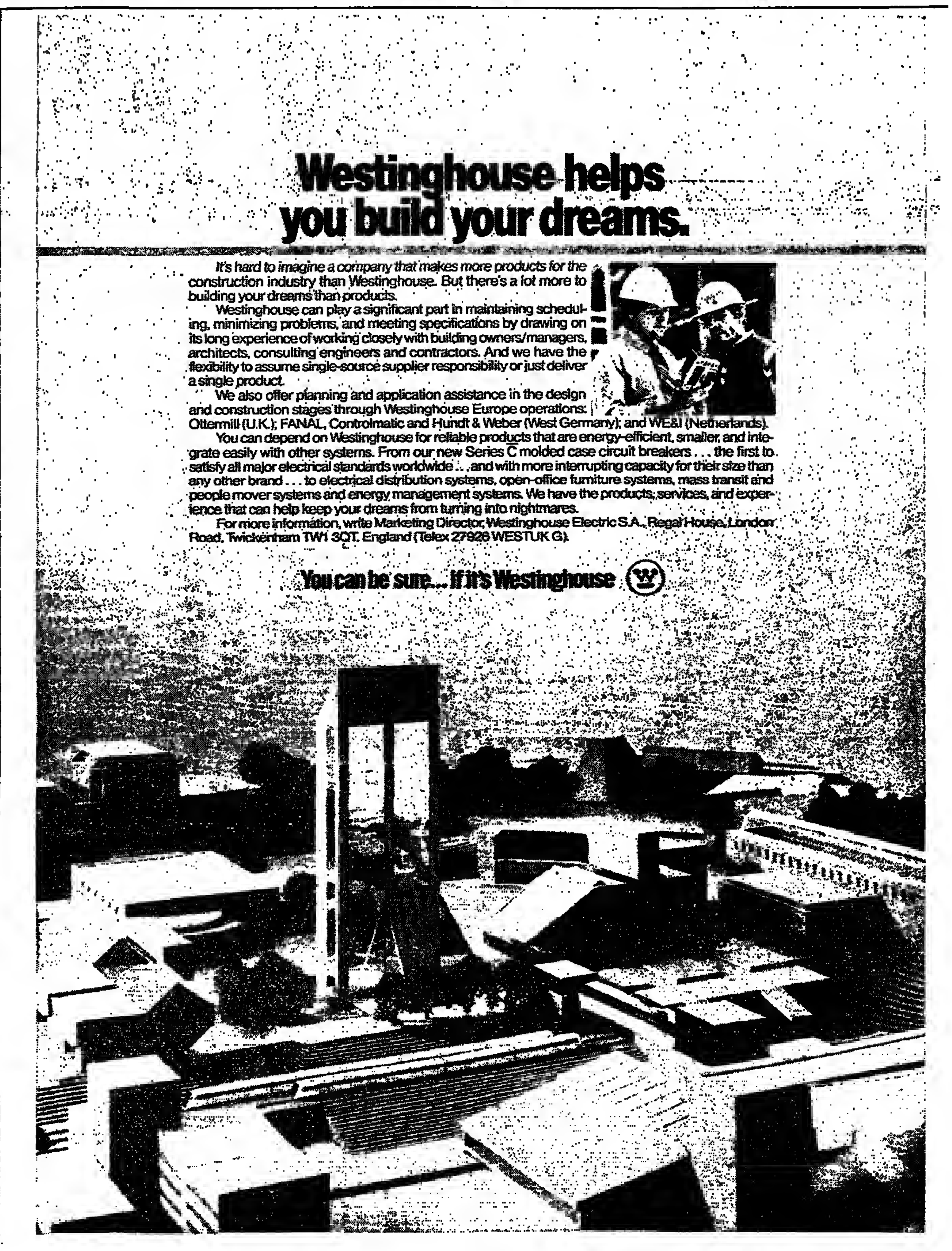
NEW EMERGENCY legislation to extend until midnight tonight the spending power of the U.S. Government has been passed by Congress as it struggles to complete essential budget legislation and adjourn to allow Congressmen to hit the campaign trail.

For more than a week Congress has been bogged down in a political dogfight over the budget, resolution of which is needed to give the Administration the power to spend budget funds in the current fiscal year, which began on October 1.

Adjournment has also been delayed by yet another haggle over legislation needed to raise the federal debt ceiling so that the Treasury can continue to borrow in order to finance the Government budget deficit.

The Senate has yet to approve an increase in the debt ceiling from $1.57bn to $1.82bn with the result that there was continued uncertainty in Wall Street yesterday about the timing of the major borrowing programme the Treasury is planning in the fourth quarter.

As a result, there is uncertainty about just how enduring the current easing in interest rates will be



WORLD TRADE NEWS

Turkish Airlines may opt for Airbus deal

BY DAVID BARCHARD IN ANKARA

AIRBUS INDUSTRIE, locked in a battle with Boeing of the U.S. since eerly in the new year for a contract to supply three new medium-haul aircraft to Turkish Airlines, may have nosed ahead in the race, according to diplomats in Ankare.

Airbus was given only an outsider's chance at the start of the year because of Turkish Airline's long-standing links with Boeing.

The airline currently has eight Boeing 727-200s, and is renting five 707-320s. Boeing belped to arrange generous finance terms for four 727s delivered in 1982. It has offered Turkish Airlines two options to modernise its ageing fleet of DC-9s and DC-10s by 1989, with the purchase of 757 and 767s.

Airbus has offered Turkish Airlines a complete family of aircraft, starting with a delivery of three A-310-200 medium range jets during 1985 at an expected cost of around $170m (£136m).

In the longer term, it would offer A-310-300s to meet the Airline's requirements and has offered total financing for the first offer.

The struggle between Boeing and Airbus is part of a global contest between the two manufacturers to win markets during a period of recession. No holds have been barred in the lobbying in Ankara.

Airbus Industrie—which has chosen to play down its connections with the locally unpopular French and stress the role of West Germany in the consortium—flew Bavaria's Prime Minister, Herr Franz Josef Strauss, into Ankara last Spring to promote the A-320.

He was followed in July by the former U.S. Secretary of State, Gen Alexander Haig, who came on behalf of the Boeing.

Since then, however, there has been silence on the fate of the bidding, broken only by occasional hints from Turkish Government figures about which group they were fevouring.

This is fairly standard for large international tenders involving the Turkish Government. Applicants are expected to provide financial coverage for the deal as close as possible to 100 per cent. Even after making their bids, they may wait for months before learning whether or not they heve succeeded.

It has been little less than a year since the Turkish Government awarded letters of intent to three companies—Kraftwerk Union of West Germany, AECL of Canada, and General Electric of the U.S.—to build a nuclear power plant in Turkey.

The letters of intent, however, have not been followed as yet by a firm decision. General Electric appears to have dropped out of the race for the time being.

However, Kraftwerk Union and AECL have not only not been awarded contracts yet, they have been joined in the race at the twelfth hour by Westinghouse and Mitsubishi, whose bid is described by Turkish officials as "extremely attractive."

The Ankara business community is divided over whether the Turkish Government has not awarded the nuclear contract for financial reasons—and whether it may not, under Mr Ozal, heve quietly decided to shelve the project altogether.

"Either way, this sort of stalling does little good to the country's commercial reputation," one diplomat said.

A much smaller contract—to co-manufacture transport aircraft for the Turkish Air Force—is currently being fought out between CASA of Spain, Aeritalia of Italy, and de Haviland of Canada.

Because it is a military—and therefore a priority—decision, the award was expected to be made early. In practice, the Turks seem to have wavered between the three for months.

Political factors may also be delaying an announcement. Though Mr Turgut Ozal, the Prime Minister, has hinted that Turkey will buy aircraft from Europe, he has apparently linked the purchase in private to such issues as improved links with the European Community and rights for guest-workers in the Federal Republic of Germany.

With a total purchase of nearly $800m planned for Turkish Airlines under Turkey's transport master-plan by 1994, the fate of the initial Airbus and Boeing contest is obviously of considerable importance.

"It's difficult to be sure about any Government purchase, particularly here," said an official involved in marketing Airbus. "But I'm increasingly hopeful that we have got this one in the bag."

How EEC is backing cut in trade barriers

BY PAUL CHEESERIGHT IN BRUSSELS

WHEN EUROPEAN Community ministers agreed egain on Tuesday that it would be desirable for e single form to replace the 70-odd customs documents used within the EEC, they were approaching one of the major barriers to internal Community trade.

The idea of a single administrative document for trade within the EEC was given a push at the Copenhagen summit of Community leaders in December 1982, when it was decided that strengthening the internal market was a priority.

If there could be a single document to replace the collection of 70 or so spread over the 10 national administrations, trade would be simpler, crossing frontiers would be quicker and the concept of one single market would be a step closer to realisation.

The cost of frontier formalities runs into billions of pounds a year, according to Commission estimates. If formalities could be streamlined, then the price saving on goods could be up to 5 per cent.

A single document would also speed the computerisation of freight clearance, and if all customs authorities used the same form, their administration could more easily be linked.

But the document has to be simple. The Commission has been told that one form still contains 70 separate demands for information is hardly worth the bother. Trim that down to about 45, the trading community thinks, then the document would be worthwhile.

Over recent months officials have been involved in pruning the information presently asked for. Only France and Italy, for instance, are interested in exchange control information—could thet no disappear? West Germany wants special transport statistics, but could it not find them elsewhere?

The aim has been to pare the document down to the minimum information about goods and shipper—to get rid of peripheral detail like terms of delivery and identification of a warehouse.

The Ten have had as an example "Benelux 50," the form used for trade betwene Belgium, the Netherlands and Luxembourg, which was introduced last July. The Benelux form has just 14 boxes to be filled in and does not have to be shown on leaving a country. The importing country handles the formalities.

The Benelux countries presented thsi as a model for the rest of the EEC, but they are ahead of the pack in trade simplification anyway. Even before the summer, the waiting time inside Benelux at the frontiers averaged 15 minutes compared with 75 for the rest of the Community.

There is little chance of the Ten agreeing to as few as 14 boxes, but officials note that at least all the political arguments about the scheme are in the past. By the end of the year, they feel, agremeent may be reached.

Swiss group to build polyester unit for China

By John Wicks in Zurich

EMS-INVENTA, the Zurich-based chemical engineering subsidiary of the Swiss group EMS-Chemie, has received an order for the delivery of a complete production unit for the Chinese company Sanming Polyester Fibre Plant.

The unit, which will have an annual capacity of more than 7,000 tonnes of polyester filament, will cost a total of over SwFr 40m (£128m).

● Ciba-Geigy, the Swiss chemical company, is to join with the Mitsui group to set up a Japanese plant for the production of 3,400 annual tonnes of alkyl phenol. This is an intermediate used in the manufacture of anti-oxidants and light-protection agents for the plastics industry.

Arabs to move into export credit

By Mary Frings in Bahrain

THE ARAB Investment Company (TAIC), an Arab government-owned financial conglomerate which finances imports and supports agricultural, industrial, tourism and service projects in more than 20 Arab states, is to move into the field of export credit.

The plan has now been approved at the company's board meeting in Riyadh.

Unlike Britain's Export Credit Guarantee Department (ECGD) and France's Coface, TAIC is a purely commercial organisation and will not provide finance on a concessionary basis.

Mr Hikmat Nuwayhid, the manager of TAIC's Bahrain Offshore Banking Unit (OBU), said the bank had already been approached about financing the export of crude oil and refined petroleum products to Turkey. Egypt recently announced establishment of an export-import bank.

Although the bank's short-term strategy was to help Arab exporters to sell products in the Third World, he foresaw that as the new Saudi joint-venture petrochemical projects came fully onstream, there would be a need for financing exports to the industrialised world.

Mr Nuwayhid stressed that TAIC is looking not just at oil and petrochemicals but at the whole spectrum of Arab exports, including metal pipes from Kuwait, aluminium from Bahrain and the UAE, phosphates from Jordan, and agricultural produce from Sudan.

'No cost advantage' for Saudi Arabian petrochemicals

BY PAUL CHEESERIGHT

SAUDI ARABIAN petrochemicals, eoon to arrive on the world market, will not have a significant cost advantage, on a delivered basis, over the products of reasonably efficient European plants.

This assertion, relating specifically to polyethylene, the basic plastics product, was made yesterday by Mr Art Ferguson, president of Mobil Polymers International, speaking in Brussels.

Mobil, like Exxon and Shell, is among the international groups which have joint ventures with Saudi Arabian Basic Industries Corporation for the establishment of a new petrochemical industry.

The new plant being constructed by Mobil and SABIC at e cost of $2bn (£1.6bn) comes on stream in the first quarter of next year. From that time on a growing stream of Saudi Arabian petrochemicals will come on to the world market.

Mr Ferguson'e remarks were clearly directed at those in the European chemical industry who fear what Mr Rien Waale of Royal Dutch Shell called earlier this month "a bloodbeth" in polyethylene prices next year.

While he conceded that the manufacturing cost in Saudi Arabia is lower than in Europe, the U.S. or Japan, he said this hed to be set against higher distribution costs and the higher charges associated with the initial capital investment.

"We can't be predatory and maintain any margin," Mr Ferguson said. "We don't feel we have this tremendous edge everybody talks about."

But both Mr Ferguson and European industry executives agree that any new source of supply becoming available at a time of overcapacity on the market is bound to put some pressure on prices.

Industry officials noted again yesterday that despite the greater stability of polyethylene prices recently, the prices remained under pressure beceuse of greater supply than demand. Mr John Harvey-Jones, the chairman of ICI, has put European overcapacity at 15 per eent.

The fear of the European executives is that the extra sources of supply under these conditions could trigger a price war.

While Europe would take its share of the new Saudi supplies, they explained, they would not hesitate to use the legal means available to help the local industry if Saudi pressure became too great.

This could include complaints in the EEC and appeals for the use of Article 19 of the General Agreement on Tariffs and Trade which permits import safeguards when an industry is affected by a surge of imports.

Mr Ferguson denied that Europe would be a target area for Mobil supplies from Saudi Arabia. Marketing would be world-wide, he stressed.

He edded that the coming on stream of Saudi production was part of a worldwide petrochemical industry restructuring which was putting plants near to the sources of hydrocarbons.

All the Saudi plants together only accounted for 2.5 per cent of world polyethylene capacity, he said. In any case, the industry's problem with overcapacity would disappear by the end of the decade.

Drive to host new U.S. groups

BY CANUTE JAMES IN KINGSTON

THE DISMANTLING of U.S. International Sales Corporations (Discs), and their replacement by Foreign Sales Corporations (FSCs) by next January, has sent several Caribbean countries into a scramble to act as host nations for the new companies.

The Foreign Sales Corporations, like their predecessors, will market U.S. products overseas, and will still receive the tax credits which led major trade partners of the U.S. to claim that the Discs violated the General agreement on Tariffs and Trade (GATT).

The U.S. Government has now ruled thet in replacing the Discs, which were based within the U.S., the FCSs must have a minimum presence in countries which do not fall under the jurisdiction of the U.S. customs.

Jamaica and the U.S. Virgin Islands are leading the effort to lure the new companies, 9,000 of which must be registered by January. Both see the FSCs as being worthwhile investments.

Mr Edward Seaga, Jamaica's Prime Minister and Finance Minister, said that legislation is being prepared to make the island a location for the new companies. The country's Companies Act, the Exchange Control Act and the income tax laws are being amended.

Any country hoping to host the FSCs must have an information exchange agreement with the U.S. Jamaica has signed such an agreement.

A study done recently by the Department of Commerce of the U.S. Virgin Islands shows tht the establishment of FSCs in that country could result in local expenditure of $20.8m (£16.6m).

Romania credit line for Pakistan

BY MOHAMED AFTAB IN ISLAMABAD

ROMANIA has agreed to provide a $500m (£400m) line of credit to Pakistan to enable it to purchase a wide range of the Comecon country's industrial products.

The amount of the loan has been agreed in principle and is expected to be approved by the Romanian and Pakistani Governments in the next few weeks.

The key reason behind the move by Romania, with whom Pakistan has close political relations, is that Bucharest wants to utilise its considerable idle capacity in the industrial sector.

The amount will be repayable in 10-14 years. Credits repaid in hard currency will be charged a 5.4 per cent interest rate, while those paid back in the form of goods will carry an 8.4 per cent interest.

Officials of Pakistan's state-sector financing institution, Bankers Equity Limited (Bel) said the Romanian offer is "highly favourable" in its terms, because the Euromarket funds are currently available at interest rates ranging between 10-12 per cent.

The Romanian offer is one of the largest made to Islamabad, by any of its Western, Socialist or Middle East sources, according to officials.

The Bel predicts that of the $500m, $150m will be made available to the Pakistani state sector, which operates a large number of basic industries.

The balance of $350m will be offered to Pakistan's credit- and foreign exchange-starved private investors.

If all goes well, the Romanian credit will help implement et least a part of the $6bn industrialisation programme envisaged by the sixth five-year plan, which hae been off to a slow start since its July 1, 1983, launch date.

Most industrial equipment, such as cement plants, oil rigs, copper mining machinery, thermal generators, and other plants will have to be made to order.

But the Bel officials say that, given the fact that Romania is short of such orders, and has a large idle capacity, the equipment is expected to be ready in 18 months to two years.

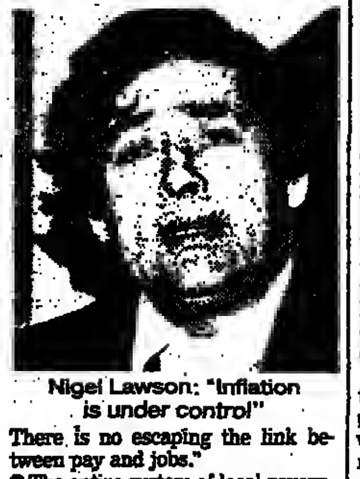
Sri Lanka conference

A conference on trading with Sri Lanka will be held at the CBI's Centre Point London headquarters on Monday October 15 under the joint auspices of the South Asian Trade Association (Basata) and the Sri Lanka.

The date and venue were wrongly stated in the Sri Lanka survey (October 10). Further details from Basata (01-240 5903).

Labour costs killing jobs says Lawson

BY PETER RIDDELL, POLITICAL EDITOR



Nigel Lawson: "Inflation is under control"

THE MAIN cause of unemployment in Britain – now standing at 3.05m – was the determination of "monopolistic trade unions" to insist on levels of pay that priced people out of work altogether, Mr Nigel Lawson, Chancellor of the Exchequer, told the Conservative Party Conference in Brighton yesterday. There was no escaping that link, he said.

Mr Lawson went on, however, to paint a generally optimistic picture. "The economy is strong. Inflation is under control. Growth continues. Enterprise has reawakened. Unemployment can be reduced," he said.

There was no sign of growth coming to an end. After noting that the fall in coal output has been equivalent to nearly 1 per cent of gross domestic product, he expected a "bounce back" in 1985 to the sort of growth of more than 3 per cent, seen last year.

Mr Lawson said he hoped that "the major programme of tax reduction and reform" started this spring would he carried further in next year's budget. Tax reform was not a *substitute for tax reduction.* Britain needed both.

The speech was given only a tepid reception and several Tory MPs complained afterwards that Mr Lawson had taken insufficient account of the widespread concern in the party about the latest surge in unemployment. Only a very limited job creation package looks like being announced later this autumn, at e minimal cost in extra public spending.

However, his insistence that it would be wrong to change course because of the admittedly growing concern over unemployment reflected the mood of most speakers in the economic debate.

Mr Lawson underlined the effect of the "massive and unsustainable United States budget deficit" in keeping world interest rates uncomfortably high when describing the difficult background against which the Government was seeking to transform the economy.

To applause he said that Britain's economic recovery was in its fourth year "with no sign of growth coming to an end."

Mr Lawson renewed his commitment to seeking to "eradicate inflation altogether" and argued that progress towards that objective offered the best hope of reducing unemployment.

Mr Lawson also attributed some of the blame for rising unemployment to employers. He said: "Every time a weak management agrees, for the sake of a quiet life, to grant a pay claim which it knows to be excessive it is condemning more workers to join the dole-queue. There is no escaping the link between pay and jobs."

● The entire system of local government finance, including both fund raising and the distribution of functions, is to be reviewed over the next 18 months by a ministerial committee under the chairmanship of Mr Kenneth Baker, the new Minister for Local Government.

Mr Baker bas been asked to look at the way the rate (property tax) support grant is distributed, at the balance between local financing and central government financing of council expenditure, at ways of strengthening the accountability of local authorities to their electorates, and at how, in any new system, local revenues might best be raised from businesses as well as from householders.

The inquiry will be along the lines of the series of reviews of the social security system already initiated by Mr Norman Fowler, the Social Services Secretary. These allow the terms of the review to be dictated by ministers but permit the use of outside evidence and advice.

● Present or former Treasury ministers will make np the majority of the so-called Star Chamber committee of the Cabinet which will start work next week on resolving differences in Whitehall over future levels of public spending.

Ministers in Brighton for the conference believe the committee faces its hardest task in its three years of existence in eliminating the £3bn plus of additional spending being sought above the £132bn target for 1985-86.

One senior minister commented that it was "no longer a matter of just candle ends but of real cuts in some programmes to get back to the Treasury's target."

The hope is that the Star Chamber will have narrowed differences sufficiently by the beginning of next month for decisions on outstanding matters, probably including energy prices, to be decided by the full Cabinet, ahead of the autumn economic statement.

Private pay increases outstrip public sector

BY PHILIP BASSETT, LABOUR CORRESPONDENT

PRIVATE SECTOR pay increases are running et e much higher level than those in the public sector, according to government figures published today.

The new figures are published in the Government's annual New Earnings Survey (NES), widely regarded as the most accurate guide to earnings and their movements.

However, its format – a 'snapshot' of pay at a particular point, in April – can create odd impressions, since its chosen survey date can exclude many significant deals in the public sector at that time. This year, no settlement yet in the coal mining industry and late deals elsewhere may have heightened that.

Even given these caveats, the gap between public and private sector increases as measured by the NES is still high.

Rises for all workers – male and female, manual and white-collar – in the public sector were 5.8 per cent between the 1983 and 1984 NES surveys. For the private sector, the increase was roughly two-thirds more at 9.8 per cent.

In the public sector, nationalised industry increases (6.5 per cent), pushed up the overall sector rate, but increases in central government pay (4.7 per cent) were much lower.

● The Trades Union Congress (TUC) yesterday endorsed a joint approach with employers which will see them increase pressure on the Government to "promote conditions favourable to faster economic growth."

The economic committee of the TUC which agreed the move, also made clear that it would put at the centre of its work over the next year a defence of wage levels in the face of Government efforts to lower them in order to combat unemployment.

A main focus for what promises to be a sharp debate on wages will be the National Economic Development Council (NEDC), tripartite forum of Government union and employers' representatives which the TUC is to re-enter after withdrawing nine months' ago.

U.S. motorcycle venture hit by 'lack of aid'

BY LORNE BARLING

PLANS TO attract a £20m investment by Harley-Davidson, the U.S. motorcycle manufacturer, to the West Midlands are being seriously hampered by the lack of any form of government financial aid, according to local negotiators.

The company plans to set up a manufacturing plant in Europe to build e new motorcycle for the U.S. market, creating about 1,000 jobs.

Negotiations with the West Midlands Industrial Development Association (IDA) have taken place over the past five months, but it is known that attractive financial incentives have been offered in West Berlin.

Mr Ronald Sampson, chief executive of the IDA, said Harley-Davidson recognised that the West Midlands was ideal in many ways for its new plant, because of existing skills, component suppliers and location.

However, the Government was unable to offer any aid under present legislation, which is due for changes early next year after the review of regional policy.

"We know that Harley-Davidson has to make an early decision if it is to meet its marketing targets, and the question of aid is vital. We do not know if they will wait until the new year," Mr Sampson said. "The company's new management believes it can beat the Japanese in the U.S. market with this new product," he added.

Harley-Davidson intended to use the Japanese "just-in-time" manufacturing system, with components arriving immediately before assembly as component suppliers are mostly within a 30-miles radius.

The Conservative Party at Brighton

Trident 'last resort against blackmail'

Conference reports by Our Parliamentary Staff

Mr Heseltine: search for fair agreements

THE TRIDENT missile programme was Britain's last resort against nuclear blackmail, Mr Michael Heseltine, Defence Secretary, told the Conservative Party conference yesterday. It was an insurance policy which no responsible government could abandon.

Latest estimates had put the cost of Trident at about £9bn spread over 20 years, he added. Labour's strategy for defence would alienate the U.S. and expose Europe to a re-emergence for "the mayhem of power politics" from which two world wars had emerged.

Mr Heseltine gave a warning to the Soviet Union not to delay arms talks in order to wait for the election of a Labour Government in Britain and he said Labour's "discreditable policies" would be rejected by the electorate.

The Government wanted to negotiate to lay the basis of lasting peace through fair, balanced and verifiable agreements. But it would negotiate only from e position of strength. The Soviet Union would understand nothing less.

He was cheered as he described Labour as "a conspiracy of political fanaticism in pursuit of absolute power." The democratic process was rigged to subject the majority to the minority and the mob unashamedly seen as the third chamber of parliament.

Demands from the Labour and Alliance parties for an investigatioo into the sinking of the Argentine cruiser, General Belgrano, during the Falklands war two years ago were firmly rejected.

Mr Heseltine, was enthusiastically applauded when be said: "The Prime Minister took the right decision; she took it at the right time; she deserves the credit for what she did."

He said it was "absurd" for opponents of the Government to suggest that the Belgrano was sunk to destroy a peace initiative launched by President Belaunde Terry of Peru. "No one in London even knew at the time that there was such an initiative," he said.

"The Prime Minister was advised by the Government's most senior military advisers to sink her. She was advised that British lives were at risk. The evidence was overwhelming, the advice categoric, the counter arguments non-existent. The War Cabinet's agreement was immediate, and any other decisioo would bave been unforgivable."

Mr Heseltine said the only inquiry the Government should contemplate was an investigation of whst would have happened if the Prime Minister had rejected the advice she was given and the Belgrano had ettacked the British task force.

In n passage aimed largely at Mr Tom Dalyell, the Labour MP most implacably critical of the war, Mr Heseltine said: "I say to all those pursuing this detailed questioning for incidental information that they should address the central responsibility.

"The Prime Minister had to protect the lives of our servicemen. Let them tell us where they stand on that issue."

□ A MAXIMUM sentence of life imprisonment for traffickers of drugs such as heroin or cocaine was announced yesterday by the Government in what it called "an uncompromising stand" against drug traders.

Mr Kenneth Clarke, Minister for *Health, also announced several other* initiatives, including extra specialist customs staff and more resources for drug treatment in replying to a debate on drug abuse.

The first debate of its kind at Tory Conference, it aroused anger and anxiety among speakers whose ranks included an 18-year-old Oxford schoolboy who spoke of the frequency of glue sniffing at his comprehensive school.

Mr Clarke said that the raising of the maximum sentence for drug trafficking in heroin and cocaine, from 14 years to life, would probably be introduced next year in the Home Secretary's Criminal Justice Bill. "We believe that society must mark its total abhorrence of those who cynically prey on the lives of others for their great profit."

Referring to victims of drug abuse, Mr Clarke announced a £5m injection to expand projects in drug prevention, treatment and rehabilitation. This was in addition to £7m already committed by the Government to such projects.

A campaign was also being undertaken to prepare suitable material on drugs for parents and young people. New guidelines were being sent to all doctors on the best clinical practices for treating drug abusers. "There will be no more excuse for sloppy prescribing in future," he said.

The scale of the problem should not be underestimated, he said. Numbers of registered addicts more than doubled between 1980 and 1983. Drug abuse struck everywhere, not just in deprived inner cities.

Major successes in drugs seizure were being recorded, however, nearly twice as much heroin was taken by the police last year as in 1982. By November, this year, all police forces would have specialised drug units.

On the supply of beroin Mr Clarke said: Britain was providing £1m over the next few years to promote crop substitution in Pakistan, a major source of cbeap heroin.

□ THE TREATY of Rome may have to be rewritten to accommodate the accession to the EEC of Spain and Portugal, Mr John Biffen, leader of the House of Commons, said.

Economic, political and social traditions of the two countries, were so different from those of many existing member states that Community institutions might prove unable to cope.

He chided the conference organisers for failing to include a debate on the EEC, warning: "This thing is happening and we are not even beginning to understand what it implies."

Addressing the Society of Conservative Accountants, at a conference fringe meeting, Mr Biffen said there were bound to be problems in absorbing the steel, textiles and shipbuilding industries of the two countries, and difficulties with agriculture and fisheries.

He said the economies of Spain and Portugal bad developed a distinctive corporatist and paternalist pattern, and it was questionable whether they were compatible with the free eoterprise spirit of the Treaty of Rome.

Mr Biffen said the diversity of the new 12-member Community could make the implementatioo of EEC rules more difficult "if, as I believe is necessary and unavoidable, the whole administrative arrangement is conducted through national governments paying regard to national traditions."

He questioned whether the Council of Ministers, the Commission and the European Assembly, whicb were adequate for the original six EEC members, would provide "the appropriate set of relationships" in the diverse 12-member Community.

Mr Biffen said there was an inevitable choice between strengthening EEC institutions or moving towards a looser association of nation-states.

Mr Biffen: Need to rewrite EEC treaty

□ CLAIMS by the opposition Labour and Alliance parties that government cuts had damaged the quality of the National health Service were rejected by Mr Norman Fowler, Health Secretary. He won a standing ovation for a robust defence of Governmeot policy which, he claimed, bad resulted in a health service that was providing more help for patients than at any time in its history.

The Government's programme of competitive tendering would continue until every ancillary service in every bealth district had faced "the test of competitioo," he said.

"We are spending about £1bn a year on catering, laundry services and cleaning. There is no reason on earth why services of that kind sbould be a public sector monopoly. There is no reason on earth why there should not be competition between the private and the public sectors."

Pit union 'decided to regard itself as above the law'

BY RAYMOND HUGHES, LAW COURTS CORRESPONDENT

THE NATIONAL Union of Mineworkers – aided and abetted by its president, Mr Arthur Scargill – had decided to regard itself as "above the law" and to show the whole nation that it was "untouchable", a High Court judge said yesterday.

Mr Justice Nicholls said that the union and Mr Scargill had "wilfully, deliberately, knowingly and repeatedly" broken his order that the strike in the union's Yorkshire area must not be described as "official."

They had also flouted his order not to threaten to discipline any miner who crossed picket lines.

The judge fined the union £200,000 and Mr Scargill £1,000 for contempt of court.

He said it was not an appropriate case for sending Mr Scargill to jail.

The union was given 14 days to pay, failing which the judge will consider ordering sequestration of its assets.

Mr Scargill has 28 days to pay. If he does not the court will enforce payment, probably by a court officer seizing the money from his bank account, or taking his personal possessions.

Neither the union nor Mr Scargill was present or represented at the hearing.

However, the judge said that, "even now," the union and Mr Scargill could have another chance to change their minds and attitudes. He directed that his order should not be formally drawn up before next Monday, and said that at any time before then Mr Scargill and the union could come to court and make any submissions they wished.

Two separate contempts had been alleged by Mr Kenneth Foulstone and Mr Bob Taylor, anti-strike miners from the Manton Colliery, near Worksop, which is part of the union's Yorkshire area.

Both arose from judgments given by Mr Justice Nicholls on September 28. In the Yorkshire miners case he ruled that the strike area must not be described as official; in a case brought by three Derbyshire miners he made a declaration that the strike in that area was unlawful.

Within hours of the judgment Mr Scargill, in an interview on Channel 4 news, asserted that the strikes in both areas were official and that any miner crossing picket lines risked being disciplined.

Mr Foulstone and Mr Taylor alleged that that was contempt of court. The judge said it was clearly a breach of his orders, in both the Derbyshire and Yorkshire cases, and he thought it likely that, although the orders had not been served on him at that time, Mr Scargill had known the substance of them.

But, the judge said, the orders had been lengthy, covering many matters besides the relevant prohibition, and he was not satisfied on the evidence that Mr Foulstone and Mr Taylor had shown, with the high degree of proof required in contempt cases, that Mr Scargill had been fully aware of the nature of the orders when he made his comments.

The second contempt was on October 1. The union's national executive issued a statement endorsing Mr Scargill's Channel 4 comments, and Mr Scargill himself said in the BBC 2 Newsnight programme that the strike was official "and will continue to be official."

Three days later he again publicly repeated his comments.

The judge said that, although the first contempt was not proved, the publications of the NEC's statement and resolution on October 1, and Mr Scargill's comments on Newsnight, stood on an altogether different footing.

By then the September 28 orders had been served, and the intention of Mr Foulstone and Mr Taylor to enforce them had been brought home to Mr Scargill and the union. "Thus there was no room for doubt. The NUM knew exactly what it was prohibited from doing."

Mr Justice Nicholls said he had very much in mind the context of the case: a major industrial dispute between the NUM and the National Coal Board in which "the officers of the NUM have deeply held beliefs, which are to be respected, on what is the right course of action to be taken by the NUM in the best interests of its members, their families and the communities in which they live.

"But this does not entitle those officers to conduct the NUM's affairs in contravention of the union's own constitution.

"I would be failing in my duty to uphold the law if I did not recognise such conduct of the NUM for what it is and impose a penalty of appropriate severity."

The judge said that six points needed to be stated and clearly understood.

● The claim by Mr Foulstone and Mr Taylor was founded on the NUM's own rules and constitution. The relevant principles of law were the ordinary, well-established principles of the law of contract applicable to associations of members from the smallest club to the largest corporation.

● The acts done in contempt were breaches not just of Mr Justice Nicholls's order on September 28 in the Derbyshire and Yorkshire cases. They also broke orders made by three other judges from May 25 onwards relating to the Nottinghamshire, North Wales, North Western and Midlands areas of the NUM.

● If the NUM had considered that any of those orders had been wrongly made it could have appealed to the Court of Appeal.

● This was not the first time that the NUM had recently deliberately breached a court order. In July, it had knowingly done so in breach of an order made by the Vice-Chancellor, Sir Robert Megarry, on July 10 regarding a resolution introducing a new disciplinary rule.

● Even today, the phrase "contempt of court" was frequently misunderstood. All too often it was still thought that it meant insulting the court: the conduct of a litigant "who makes, as it were, a rude gesture at the court and who is to be punished unless he attends the court with a craven apology for such unseemly behaviour.

"I cannot stress too strongly that the applications before me have nothing to do with insulting the court, or affronts to the dignity of the court. These applications concern wilful and repeated disobedience of an order of the court – a deliberate refusal to comply with the express terms of an order."

● In this case the wilful disobedience had been committed with maximum publicity by a powerful body bent on showing to its members, and to the whole nation, that it was untouchable.

"If orders of the court are seen to be set at naught in this way, openly and repeatedly defied by such a body with impunity, where is the rule of law?"

The judge went on: "It should be understood that Mr Scargill will be answerable to the members of the NUM for the depletion of its assets by the imposition of the union's fine and attendant costs, being assets which will be no longer available for the benefit of the members who provided them."

The judge directed that his orders should not be formally drawn up before Monday and gave the union and Mr Scargill leave to apply on 24 hours' notice before Monday if either wished to make any submissions to him in respect of the amounts of the fines, the time for payment, or generally.

"They will both, even now, have a further opportunity to change their minds and attitude."

Judge's first union case

SIR DONALD Nicholls, whose interventions in the miners' dispute have led to his being stigmatised a "political" judge, has never, according to barristers who have known him throughout his legal career, shown any interest in politics.

He was called to the Bar in 1958 and soon built up a sound practice in general Chancery work, with a heavy bias towards company matters.

As far as anyone can recall, he was never involved in a case concerning trade unions or industrial disputes.

He rapidly achieved a reputation as one of the brightest of his generation at the Bar and was appointed a judge to become a Queen's Counsel in 1974.

He was appointed a judge of the Chancery Division in August last year.

He appeared for Scotch whisky manufacturers in "passing-off" cases and spent much of his last two years at the Bar acting for BL in a copyright dispute.

Last year he led the UK government's legal team that successfully opposed a complaint to the European Commission of Human Rights about the 1967 Leasehold Reform Act.

Aged 51, he has retained a fresh-faced, boyish look that makes him appear 10 years younger.

According to colleagues he enjoys a joke but does not make jokes himself, although he is reputed to have a dry wit.

THE MANAGEMENT PAGE: Marketing and Advertising

EDITED BY CHRISTOPHER LORENZ

How the 'new wave' has grown up

ONCE they were the upstarts of the *adworld — embryo agencies* whose precocious energy, talent and enterprise challenged the status quo.

That was the late 1970s, early 1980s, when a rash of more than 70 agencies was reported as springing up, in what became known as the "new wave." Births are nothing new, but this time round the mood was different. The new agencies, says Robin Wight, one of the prime movers, "offered something new, a serious alternative to the established agency system."

The climate too was ripe—media independents had arrived, a number of experienced advertising people were seeking fresh outlets and there was a new breed of client about chasing talent rather than names.

Five years on, the dust has settled and we have taken the pulse of the main stayers, those who not only survived but thrived. Below is a list—admittedly subjective—of 10 of the high fliers of that new wave, who, now established among the top 100 agencies (as listed in Campaign magazine's league table), are broadly regarded as the pick of the crop, well rooted and flourishing, if in varying degrees.

None of the contenders existed in its current form pre-1979, though two were operating previously under different colours. (Aspect was originally a Collett Dickenson Pearce offshoot before buying itself out and Hedger Mitchell Stark underwent a series of name changes.)

All agencies are UK-owned (except for Lowe Howard-Spink which merged *last year* with *the American*-owned Wasey Campbell-Ewald).

Feona McEwan

AGENCY AND START-UP DATE	1984 CAMPAIGN POSITION IN LEAGUE TABLE previous year *in brackets*		GROSS BILLINGS 1984 £m	GAIN ON 1983 %	SIX LEADING CLIENTS (alphabetically)	HOW THEY SEE THEMSELVES	HOW THEIR COMPETITORS SEE THEM
1 Lowe Howard-Spink Campbell-Ewald (May 1981)	16	(—)	56	na	Bird's Eye, General Motors, JVC, Lloyds Bank, Whitbread, L'Oreal	One of the top 3 or 4 creative agencies and the only one, *apart from the Saatchis, with* an international network	Very good agency not yet ruined by American partners. In different *league now. Wish I'd had the* luck. Too dependent on two clients. Still to prove identity
2 Wight Collins Rutherford Scott (March 1979)	24	(26)	40	+25	Bass, BMW, Leicester Building Society, Qualcast, RHM, 3M	*Producers of campaigns that* unlock the strengths of brands by digging deeper into product and consumer	*Pioneer of the "new" agency* scene. One of the great success stories of last five years. Good creative product, if not equal to the ballyhoo. Clear sighted, with staying power.
3 Grandfield Rork Collins (September 1979)	25	(24)	51	+64	Commodore Computers, Guinness, The Times, Tesco, Rothman International, W. H. Smith	A year of major growth as result of making real contribution to clients' business success	Highly committed to growth at any price. More a business than an ad agency. Growing like a mini-*multinational.* Very professional and well managed. Exceptional in its "all-purpose" approach
4 Gold Greenlees Trott (July 1980)	31	(62)	27	+25	Bowater Scott, Farley Health Products, Holsten Distributors, Mazda, Toshiba, Watney Mann & Truman	A belief in *fresh*, original and highly visible advertising that causes people to take a *new* look at a *service or product*	Very fashionable. Creativity rules —love or hate it but can't ignore it. Very fresh if not always in *right direction. Our toughest* competition. Great visibility. Some very good work
5 *Leagas Delaney* (August 1980)	34	(48)	27	+35	Coopers & Lybrand, ICI, Marshall Cavendish, Thames, Unigate, United Biscuits	Insatiable appetite for big creative challenges. Creative. Industrious. Professional	*High promise, patchy delivery.* Some very nice work, but bad luck lately caught out by international *realignments.* Wins more business than loses
6 Aspect (March 1982)	54	(75)	23.75	+52	Acorn Computers, Abbey Life, Ambassador Life, Food & Wine from France, Wm. Grant & Sons, Mercantile Credit	Just becoming fashionable. Work hard. Emphasis on in-depth relationships with clients, beyond just ads—ie don't just sell ads, sell solutions to people's problems	Into the total communication approach. Good businessmen. Low creative profile but steady success
7 Hedger Mitchell Stark (October 1982)	55	(85)	16	+100	Barker & Dobson, British Rail, Distillers, IBM, Krups, Watneys	Unable to comment sensibly—as keen to avoid trite remarks as to avoid trite ads	Recent substantial growth. Arrival of Stark undoubtedly revitalised agency after many management changes and now its name and product appear to have stabilised. *Found identity.* One of the "coming" agencies.
8 Valin Pollen (October 1979)	75	(108)	22.5	+91	County Bank, Gould, Gulf International Bank, London Life, Mercury, Standard Chartered Bank	Immensely thorough. Very professional. Believe passionately in research. Integrated communication *service—advertising and public* relations	Who? Didn't know they were an *ad agency.* Not low profile, no profile. Outrageously high p/e rating in City. Glamour company *in glamour stock*
9 Bartle Bogle Hegarty (April 1982)	18	(—)	17.5	+50	Audi, Courvoisier, Levis, Pretty Polly, Robertson's Preserves, Whitbread	Well-balanced across the *disciplines. Strength in depth.* Creative. Outstanding client list	Less well known than deserves given *its work. Very bright* agency, one of the best new *arrivals.* Tasty creative product if a little *precious and thin on ideas.*
10 Waldron *Allen Henry* and Thompson (June 1980)	94	(98)	12.8	+35	Coutts, Commercial Union, The Economist, Food & Wine from France, Lyons Tetley, Welsh Development Agency	*Seem to attract "conservative"* clients, possibly, through founder's track record, unlike some newer agencies. Witty without being wild. Believe good ads to be rooted in common sense.	*Low profile. Not hungry. Why* not grown more? Very nice people. Steady, not spectacular, performance

Putting on a fresh face

Frank Lipsius on a major U.S. fruit supplier's changing image

IN THE almost guaranteed 80 degree sunshine of Hawaii, American fruit grower and distributor Castle and Cooke is announcing today a revamping of the company based round a major advertising campaign, the introduction of new products and a new logo for its Dole label.

Two years of heavy losses have spurred the company to devise a marketing strategy that it hopes will sharpen its current rather nebulous image. Despite losing nearly \$50m in 1983 and a further \$76.7m in 1984, this \$1bn-a-year sales group is banking on a \$60m promotion and advertising budget in 1985 to reverse the trend.

A key element in its plans is to add value to its basic products by creating a quality image for its Dole label. This will enable it, as the world's number one fresh produce supplier, to sell its branded goods at higher prices than hitherto.

Central to the changes is a new logo that will unify its product range — it distributes 90m boxes of fruit and vegetables annually, from tinned pineapple, for which Dole is most famous, to its fresh fruit like bananas, grapes and cherries and new sweets like a sorbet. Abandoning the original logo which had a crown over the "o" in Dole, the new one picks up on consumer association of Dole and its products with sunshine. Developed by Landor Associates, the logo (above) will draw attention to the yellow sunburst on the "e" surrounded by red lettering and blue underlining.

The \$60m promotional spend in 1985 will be double the 1984 figure and seven times the budget in 1982. The chosen theme, "A Sunny Place Called Dole," may sound in Britain like a headline about the unemployed being sent to Spain, but for the company it unites all its products with the logo and emphasis on branded commodities.

Castle & Cooke believes its image change also capitalises on Americans' health consciousness, as reflected in the survey by MRCA Information Services notes that fresh fruit consumed in American homes has increased over a decade by 10 per cent and away from home by 50 per cent. To emphasise the health connection, the company hired U.S. Olympic marathon winner Joan Benoit as its advertising spokesman to "represent the new American attitude toward health and fitness and serve as a role model for health-conscious Americans," notes the annual report being distributed today.

Consumer research that preceded the present changes at Castle & Cooke indicated high respect but limited connotations for the Dole name. According to the surveys taken in the last year in West Germany and Japan as well as America, the Dole name had valuable associations with sunshine and health.

But, says John Diefenbach, the president of Landor, "as one of the most underutilised brand names in the world, the word evoked no image, no colour, no anything. That, of course, may be considered a disadvantage but there was also an elasticity to the name that other products with such familiarity lack."

The new logo will be used first on the most familiar product, tinned pineapples, with the name dominating the label in a size much larger than ordinarily used. Over the next year, the new label will be introduced gradually over the fruit and vegetable line, with a dye-cut stick-on label that leaves a hole in the "o" for the fruit to be seen surrounded by the halo of sunshine. Vegetables marketed under the company's Bud label now will get a secondary Dole tag, as the range expands from five to eight vegetables.

The relabelling of present products will give way to the gradual introduction of 35 new fresh produce items along with new branded consumer items, like the breakfast pineapple juice now in test market. Though still completely natural, the new juice has been reconstituted to have less pulp and solids in order to compete with orange juice as a light breakfast drink.

The company's new orientation reflects the background of its president, Ian R. Wilson, who goes to his first Castle and Cooke annual meeting after arriving last year from being vice-chairman of Coca Cola. Before stepping back out into the Hawaii sunshine and assuming it belongs to them, shareholders will also learn that the company lost \$76.7m in 1984, following a \$49.7m loss in 1983. But this includes exceptional losses involved in the discontinuation of fishing operations and other businesses and the company hopes to return quickly to profitability.

JOBS COLUMN

The progress of executive fringe benefits

BY MICHAEL DIXON

WHAT St Matthew's Gospel reslly says (v 16) is: "Let your light shine before men that they msy see your good works." I point that out because, on the evidence of the accompanying table, British managers have increasingly been misreading the last word of the gospel's advice as "perks."

The table sketching the development of executive fringe benefits in this country over the past decade comes by courtesy of the Inbucon management consultancy which has just completed its managerial pay survey for 1984. The consultancy keeps secret the pay figures shown by the study, which this year covered 6,620 staff in 634 companies of varied sizes in Britain, representing 26 branches of business. Any reader who wants the pay details and has £115 handy should contact Nigel Bryant at Inbucon (197 Knightsbridge, London SW7 1RN; telephone 01-584 6171).

Mr Bryant, however, is happy to let Jobs Column readers know thet his figures are generally above those found by the survey of the Reward organisation—the source of the pay indicators I printed last week—ranging between 8 per cent higher et the less opulent end of the scale and 17.5 per cent higher towards the top end. He is even happier to reveal

Type of benefit	% of managers receiving benefit in: 1974	1976	1978	1980	1982	1984
Full use of company car	62.0	62.3	67.4	72.4	77.7	77.9
Free medical insurance	30.1	37.3	44.1	57.9	63.0	68.9
Subsidised lunches	64.2	67.3	68.6	71.3	71.0	63.2
Life assurance up to three times salary	53.1	58.8	62.4	59.0	54.3	52.0
Life assurance over three times salary	22.2	27.5	26.7	31.9	36.1	42.2
Bonus	32.6	33.9	37.1	36.6	37.0	38.5
Free telephone or telephone allowance	—	—	—	—	—	31.5
Share option scheme	4.2	5.3	6.0	9.6	16.1	28.9
Top Hat pension	19.3	19.4	15.6	17.5	22.6	23.9
Low interest loans	—	7.2	9.6	7.0	6.5	10.5
Share purchase scheme	4.3	4.1	3.4	5.2	7.4	9.4
Assistance with house purchase	4.7	5.9	8.0	6.3	6.7	8.4
Allowance for regular use of own car	12.3	10.7	8.3	8.9	6.4	4.4
Subsidised housing	0.9	1.0	1.0	0.9	0.7	0.3

Inbucon's findings about the progress of executive perks.

Progress has certainly been the rule. Discounting the slight decline in "life assurance up to three times salary" which is far outweighed by the near doubling of "life assurance over three times salary," only three of the kinds of perk in the table are now enjoyed by a smaller proportion of executives than they were e decade ago.

The only one of the three which has ever been widespreed is subsidised lunches and that is down only marginally on 1974. Subsidised housing, which means use of a company-owned house and the like, has always been restricted to et most one manager in a hundred. The decline from 2.3 to 4.4 in the percentage receiving an allowance for frequent business use of their own car is more than compensated by the rise from 62 to nearly 78 in the percentage with full use of a company car.

But the line in the table which most puzzles me does not show either a decline or a large-scale increase. It is the line indicating that the proportion of executives entitled to some kind of benus, presumably in most cases tied to their results, is now only 38.5 per cent — a mere 6 points up on the 1974 figure.

That finding conflicts with numerous reports that go-ahead companies beve decided that if their reduced numbers of executives are to be motivated to achieve the required results, they will have to be given less and less of their pay in the form of straight salary and more and more of it in bonuses directly dependent on indlvidnal performance. In particular the finding seems at odds with the Reward survey's report, which I also passed on last week, of the emergence of e new generation of "acquisitive" managers who, while not averse to merely status-conferring perks, are consistently pressing for benefits "which are paid in cash or near cash."

To give Reward its due, it included in those benefits not only bonuses but also share options, and Inbucon's findings show a rapid extension of entitlement to those even though the proportion enjoying them is still less than a third.

The only trouble is that, as the Reward report pointed out, if the object is to motivate executives by pay tied directly to their own performance, then there are several reasons why share option schemes may not be suited to the task.

One reason is that such schemes "usually relate to shares in holding companies, though they can be used for subsidiary company shares if the nltimate bolding company is a PLC. As such, they are not as precise e reward for performance as a bonus based on the returns of a particular company or division whose results can be infinenced by individual executives."

Secondly, the return from the scheme can be arbitrarily influenced by Stock Exchange movements which are "only partly a reflection of management's performance."

Thirdly, Reward said, share option schemes "can produce quite nnfair windfall profits if a takeover bid is made for the company fairly soon after the options are granted. In this situetion, we think some of the potential option profits should be divided between existing shareholders and the pension fund or some other organisation representing benefit to all employees, and not just the option holders.

Sales chief

A SALES MANAGER for a Continental multi-national group's United Kingdom subsidiary based in the Home Counties is being sought by headhunter Douglas Halliday. Since he may not identify his client he promises to abide by any applicant's request not to be named to the employer for the time being.

With half a dozen selling staff in support, the recruit will be responsible for increasing UK sales of the subsidiary's spectrophotometers and other electric devices used in chemical analysis.

Candidates should preferably be successful in selling advanced analytical equipment to chemists in industry and the medical field, but those who have sold other products in the same markets will be considered provided they can show the ability to gain a sound technical understanding of the company's equipment. A third need is skill at leading a small sales team.

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Inquiries to Dr Halliday at Chariton Lodge, The Dovecote, Chariton, Pershore, Worcestershire WR10 3IL; telephone 0386 860758.

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To take responsibility for commercial operations relating to foreign trade, including documentary credits, guarantees etc. and for the processing of loans, money market, foreign exchange and securities transactions. (ref. MCS/OPS/1)

Retail Banking
To control and develop the Bank's existing and planned retail branch network. This growth is a key objective for the future. (ref. MCS/RB/1)

Treasury
To be responsible for the overall treasury function, covering foreign exchange and money markets, all activities relating to the international capital markets including securities, and overall asset and liability management. (ref. MCS/TRS/1)

Managers
$90,000-$100,000
Tax Free Package

Commercial Operations
To supervise foreign trade operations, including documentary credits, collections, guarantees etc. (ref. MCS/OPS/2)

Processing
To supervise the processing of loans, money market, foreign exchange and securities transactions. (ref. MCS/PRG/2)

Credit
Experienced loan officers to handle lending portfolios and to develop credit locally and internationally. (ref. MCS/CRD/2)

Securities
A banker with experience of dealing in Eurobonds and the international capital markets, to be responsible for the management of the Bank's securities portfolio and development of security investment services for its customers. (ref. MCS/SEC/2)

Internal Audit
To undertake internal audit, computer audit, and systems reviews covering all the Bank's activites. (ref. MCS/AUD/2)

Candidates should preferably be graduates with appropriate professional qualifications and all round banking knowledge able to demonstrate expertise in their specialist area. A knowledge of Arabic and experience of working in the Middle East is preferred, but consideration will be given to other candidates who can demonstrate the relevant experience, drive and enthusiasm required for these positions.
Attractive tax free salary and benefits packages will be negotiated to reflect experience and qualifications. It is likely that initial interviews will be arranged in London and other major international financial centres.

Interested candidates should write with full career and salary details quoting the relevant MCS reference to Mike Okninski, Price Waterhouse Associates, Executive Selection Division, Livery House, 169 Edmund Street, Birmingham B3 2JB, United Kingdom.

Price Waterhouse Associates

INVESTMENT FUND MANAGEMENT

Several major City Institutions, including a leading Accepting House, are currently seeking first class Investment professionals in the following capacities:

1. A SENIOR FUND MANAGER
Applicants should have had several years experience of Pension Fund Management in UK equities and reporting to Trustees.

2. A SENIOR INVESTMENT ANALYST
The successful candidate will be a graduate with several years experience of the UK equities market.

3. INVESTMENT ANALYSTS/JUNIOR FUND MANAGERS
Applicants should be graduates with at least two years experience of the UK and/or Far East markets.

Remuneration will be commensurate with age and experience.
Please contact Peter Latham or Roger Steare.
Jonathan Wren and Co, 170 Bishopsgate, EC2M 4LX. Telephone 01-623 1266.

Jonathan Wren
BANKING APPOINTMENTS

Appointments Wanted

AVAILABLE
HONG KONG/CHINA/AUSTRALASIA
Senior British Executive resident Hong Kong for many years with highest level business experience and contacts in these areas seeks opportunity to represent First Class European commercial/manufacturing interests either by way of direct employment or retainer.
For further information please write to: Box A 8773, Financial Times, 10, Cannon Street, London EC4P 4BY.

EXECUTIVE
British, currently resident Netherlands, wide experience in international marketing in Europe and Middle East, seeks challenging export-oriented position with go-ahead company in Europe or UK. Location unimportant, available now.
Write Box A8833, Financial Times
10 Cannon Street, London EC4P 4BY

INTERNATIONAL BANKING EXECUTIVE

As part of e programme of expansion, a leading international *group involved in merchant banking*, trading and consulting on e worldwide basis is seeking an Executive to complement its existing senior management team. The group's current ectivities encompass the UK, Bermude, the USA, South America, Europe and the Middle end Far East.
Reporting to the Group Commercial Director, the successful candidate should be in the 30-40 age group with e minimum of 5 years' experience in international banking and with a thorough knowledge of commodity trading. Experience in dealing with the developing world would be a plus. Wide ranging communication skills and a high degree of initiative are essential, es are skills in negotiating end selling.
Results-oriented people seeking to join e rapidly growing organisation can expect to earn an excellent salary plus good fringe benefits to give a very attractive remuneration package.

Applications which will be treated in confidence, should be made in writing, enclosing full cv and salary history, to:
Box A8763, Financial Times
10 Cannon Street, London EC4P 4BY

Trader: Commodities/Essential Oils

Salary negotiable **Home Counties**

Our client has a well established reputation as suppliers of essential oils to the world market.

They seek a trader/buyer, ideally with a background in essential oils or commodity trading, to assume early responsibility for purchasing the full range of oils required by its outlets and negotiating forward sales contracts.

Applicants, aged 35-50 must offer international trading experience entailing responsibility for purchasing in commodity markets and selling to UK manufacturers.

Please reply, in confidence, enclosing career details and quoting reference 1236/L, to M.R.P. Blanckenhagen, Executive Selection Division, Peat, Marwick, Mitchell & Co., 165 Queen Victoria Street, Blackfriars, London EC4V 3PD.

PEAT MARWICK

Deputy Manager -Pensions

c.£20,000 plus car and benefits. *London*

A Highly Visible Role in Sales, Marketing and Administration.

My client is a very well established pension fund with assets of around £90 million and an annual contribution income of some £8 million, and is well respected in the pensions world for the quality of service provided.
The Deputy Manager will report directly to the Manager and will be completely responsible for the acquisition of new pension and other related business and the servicing of existing clients. Other aspects of their highly visible post are the design and implementation of administration systems, advising on all Promotion. Sales and Marketing exercises and the guidance, leadership and management of subordinate staff.
Candidates of either sex should be in their mid 30s, have a numerate degree or HND. A.P.M.I. and at least 5 years experience, at *senior level, with a Pension Consultant*, broker, or a pensions orientated insurance company.
Highly developed communication. man-management and presentation skills coupled with a strong but diplomatic personality are essential attributes for this challenging and demanding role.
Salary will be negotiable around £20,000, there is a car and other benefits.
Please send a comprehensive resumé to *Hugh Kingwell, the Consultant advising* on this appointment at Austin Knight Selection, 20 Soho Square. London W1A 1DS. Telephone: 01-437 9261.

Austin Knight Selection

Manager of Correspondent Banking

London Based

The Royal Bank of Canada is Canada's leading international bank and the fourth largest in North America with financial interests in over 100 subsidiaries and affiliates throughout the world.

Currently we are seeking a Manager for the Bank's correspondent banking services for certain countries on the European Continent. Reporting to the Senior Manager, you'll *have responsibility for assessing existing business relationships and for developing products* and services to increase our penetration of the correspondent banking market. You will also play an important part in the calling programs and service sales to correspondent banks.

Because you'll represent the Bank in an important market and take a personal hand in settling problem operations issues, well developed interpersonal and communications *skills are required. The successful candidate must be prepared to travel extensively. Fluency* in both French and English are essential and another European language would be an asset.

You should possess an in-depth technical knowledge of international banking transactions and of correspondent banking services and should have the ability to direct research, analyse data and interpret results. Because you'll be responsible for maintaining the Bank's *high profile in the market, experience of market planning and the development* of specific marketing programmes is needed.

A competitive salary will be offered, together with an excellent employee benefits programme which includes low interest mortgage, non-contributory life assurance and pension schemes.

Please write with a comprehensive c.v. to: Kathryn Riley, Personnel Manager, The Royal Bank of Canada, 99 Bishopsgate, London EC2M 3XQ.

THE ROYAL BANK OF CANADA

Hoggett Bowers

Executive Search and Selection Consultants
BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE and SHEFFIELD

Managing Director (Designate)

Sophisticated Personal Financial Services Company
South Coast,
initially to £30,000 with substantial potential

This vacancy erises in a subsidiary of a respected UK end Internetional Group through promotion of the present incumbent. It carries responsibility for a unique company that creates. markets and administers services and products, mostly life assurance related. Over 50,000 policies were sold last year through an effective marketing network and funds under management now amount to *over £70 million. Candidates, ideally aged under 40, will have a good general* education and e record of achievement that includes marketing end line management experience predominantly in the financial services industry. They will be strongly entrepreneurial and profit orientated and show the leedership capability that geins and keeps the respect of both senior management and a *highly competent staff. Appointment to the Board is expected* at an early date and outstanding performance will be rewarded through the perent company's executive share option scheme.

I.L. Duff. Ref: 18065/FT. Male or female candidates should telephone in confidence for a Personal History Form **01-734 6852**, *Sutherland House*, 5/6 Argyll Street. **LONDON**, W1V 1AD.

Private Clients Senior Fund Manager -MIDLANDS

Our client, a long-established City based stockbroker, currently requires an additional fund manager to join their expanding Midlands office.

The successful candidate, who may presently be working in the private client department of a stockbroker or merchant bank, will probably be over 25, have at least 5 years' experience of handling private clients and their portfolios and enjoy working in a provincial office.

A highly competitive salary, plus bonus, will be paid depending upon individual ability and experience.

Please send a detailed curriculum vitae to J. D. Vine (Ref. FT/4), Vine Potterton Limited, 152/153 Fleet Street, London EC4A 2DH. Please state on a separate sheet if there are any firms to whom you would not wish your application to be forwarded.

VINE POTTERTON
RECRUITMENT ADVERTISING

Project Finance

Balfour Beatty is a major international construction group with an annual turnover approaching £700m.

An opportunity has arisen to join a small team in the Project Finance Department, based at the Group's Head Office near Croydon.

Responsibilities will include preparation of financial packages; advice to operating Company management; and negotiation with overseas clients, Bankers and ECGD. Overseas travel will be in the region of 30 to 60 days per year.

Applicants, preferably under 30, should have at least three years' active involvement in either export finance or the commercial/legal side of export contracts. Experience of negotiating overseas, especially in Third World countries, would be particularly relevant.

Applicants should send brief career history and personal details to **Brian Mason, Mason & Nurse Associates, 1 Lancaster Place, Strand, London WC2E 7EB.**

BB Balfour Beatty
THE INTERNATIONAL ENGINEERING AND CONSTRUCTION GROUP

Trusthouse Forte PLC Group Systems Manager

Over recent years the individual companies that make up the Trusthouse Forte Group have been implementing and developing state-of-the-art computer based business systems. A notable example of this is the unique worldwide Fortres Reservations Network which has already generated significantly *increased revenues for our Hotels division.*

As a result of this growing sophistication, we are creating a new position to help develop and co-ordinate systems at inter-Group level.

We see you as an experienced Computer *Systems professional who is accustomed to working* at senior levels. Experience of major systems developments, including microcomputers and the latest *telecommunications techniques is essential, as is* a proven track record of successful implementation and the ability to work within the framework of an *established organisation.*

Reporting to the Director of Systems, you will be based in London but will also be involved in extensive travel. As a new appointment this is a rare opportunity for someone to put their proven expertise and experience to good use.

Be assured that our remuneration package, with large company benefits, is highly attractive.

Please send e concise c.v. to:
Mr. A. S. Close, Director of Group Personnel, Trusthouse Forte PLC, 12 Sherwood Street, London W1V 7RD.

thf

Eurobond Sales

c.£50,000

Senior sales position with prestigious merchant bank. US $ fixed rate experience essential and preferably good 'all round' knowledge of the various products in different currencies. A geographic specialisation in either America, Scandinavia, UK, Far East or Switzerland would be a distinct advantage.

To fill this senior position you will have had at least 3 years' experience in a dynamic and aggressive environment.

For further details please contact **Sally Poppleton,** in complete confidence, on **01-481 3188.**

CHARTERHOUSE APPOINTMENTS
CHARTERHOUSE APPOINTMENTS LIMITED
EUROPE HOUSE · WORLD TRADE CENTRE · LONDON E1 9AA · 01-481 3188

Treasury management consultancy

Based in London **Salary negotiable**

C&L

C&L Associates has in recent years built up a broad-based Treasury Management Consulting group. Clients currently include medium to large corporations in the UK and overseas (primarily Europe), international financial institutions and banks.

The main areas we cover are:–

- strategic studies relating to the treasury function
- international cash and foreign exchange exposure management
- corporate finance
- international tax planning
- banking arrangements and relationships
- treasury information systems.

We now seek to strengthen further the group by recruiting two experienced corporate treasury management specialists. The required candidates must not only be technically sound but also have an outgoing personality and be capable of marketing the group's services externally and within the international firm. Experience of management is important.

Probable age: early 30's.

5–6 years' corporate treasury experience is sought, complemented by active involvement in the Association of Corporate Treasurers. A background of accountancy training with a good university degree is desirable.

Salary is negotiable at realistic levels. Benefits include company car, five weeks' holiday and contributory pension scheme.

Please send your résumé stating current salary and day time telephone number to Graham Bond, Head of Treasury Management, quoting Ref. F25/5.

Coopers & Lybrand associates

Coopers & Lybrand Associates Limited
management consultants

Fleetway House 25 Farringdon Street
London EC4A 4AQ.

MANAGEMENT TRAINING

London Office of Leading Wall Street
Investment Banking Firm
Management Information Systems Department (M.I.S.)

Career Development Programme for all University graduates:

We are searching for a select few who have the intelligence, discipline and initiative to *dedicate all of their skills and energy to pursuing a unique career opportunity in M.I.S.*

This department provides all of tha electronic services to the Firm which includes data processing, communications, database analytics, telephones, market quote systems etc.

Our Programme Offers:

- An outstanding compensation programme. Compensation during the 6 month entry training period is at an annual rate of £10,500.
- A means of establishing a high growth career in M.I.S. in a challenging industry (Securities). We offer a significant amount of training plus the opportunity to work with exceptionally talented securities industry and information systems professionals.
- Training will be carried out in our New York offices for a period of between 6-16 months prior to taking up a position in our London Branch.

Requirements:

Individuals selected for this programme will have earned a university degree and performed with distinction during their academic careers. Analytical skills are essential. We require your resumé and a cover letter in which you develop an organised presentation of your qualifications to enter this programme. In addition to presenting your objectives and accomplishments, please provide us with your academic qualifications including 'O' and 'A' level grades.

Please write to:
Box No. RTS 1
c/o Extel Advertising Limited,
Hazlitt House,
4 Bouverie Street,
London EC4Y 8AB

CRANSWICK MILL LTD.

NORTH HUMBERSIDE

General Manager Male/Female

Cranswick Mill is a fast growing company in the Agricultural field, specialising in Animal Feed Manufacture, Livestock Marketing, Grain Trading, Drying and Storage whose Directors are looking for a General Manager.

The successful candidate will be in the 35-45 age range with flair and vision, have an agricultural business background at senior management level. He will report directly to the Chairman and will be expected to lead and encourage a successful team of profit orientated young executives and to promote and expand the Company, and converse with farmer and business associates alike.

Salary and other benefits will not be an inhibiting factor in choosing the right person.

Applications in the strictest confidence in writing only enclosing a detailed Curriculum Vitae to the private address of the Chairman, Park View, Leconfield, Beverley, N. Humberside HU17 7LU.

Guidehouse

- CORPORATE FINANCE EQUITY SYNDICATION MANAGEMENT BUYOUT
- MERGERS AND ACQUISITIONS
- LEASE AND LOAN FINANCE
- OVER-THE-COUNTER DEALING
- DEVELOPMENT CAPITAL

Guidehouse Limited is a well established Issuing House having advised on well over a hundred buy-outs, syndications and acquisitions in its first four years. Fee assignments are usually in the UK where Guidehouse has strong provincial links, although assignments have been carried out in the U.S.A., Europe and Africa.

Four top people are now sought in any of the specialities shown. Positions created by expansion are likely to appeal to Directors, Managers or Executives in Merchant Banks or the Corporate Department of Stockbrokers with USM and syndication experience. Legal or accounting experience helpful.

The salary, equity and syndication package will attract the best people.

Apply in confidence (ring or write) to:
The Chairman (Ref JD)
Guidehouse Limited
Vestry House
Greyfriars Passage
Newgate Street
London EC1A 7BA
Telephone: 01-606 6321

YOUNG QUALIFIED ACCOUNTANT

London: c. £15,000

James Burrough plc, major exporters and distillers of Beefeater Gin, have established a name synonymous with quality in more than 170 countries. With a strong financial base and a declared policy on expansion, we are now planning a considerable development of operations over the next 5 years.

Reporting to the Financial Controller your responsibilities will include the production and development of financial accounts for the parent company and 6 operating subsidiaries, administration, and the control of the accounts cashiers and payroll sections of the company.

Aged 25 or over, you will be a qualified accountant aiming to develop your experience in a management role.

Major company benefits include free pension/life assurance, P.P.P. and relocation help if necessary.

James Burrough plc

Please write with full c.v., including salary, to: Dr. O. Huber, James Burrough plc, Beefeater House, Montford Place, Kennington Lane, London SE11 5DF. Tel: 01-735 8131.

Marketing Analyst

City

Abbey Unit Trusts

Abbey Unit Trust Managers has established an impressive record over the last two years in marketing and managing a wide range of Unit Trusts. There are ambitious plans for future growth.

Reporting to the Marketing Manager the Analyst will be responsible for researching, analysing and interpreting the performance of Unit Trusts and other savings market data for promotional purposes. He/she will assist with market research projects and the development of new products.

Candidates must be numerate, of graduate calibre and aged around 25 with good powers of communication. They should have experience of market analysis, ideally gained in a finance related business.

An attractive salary is negotiable and benefits include non-contributory pension, free season ticket and mortgage subsidy. Please apply in confidance with full personal, career and salary details, quoting ref. 110/3/FT, to Charles Barker Management Selection International Ltd., 30 Farringdon Street, London EC4A 4EA. Telephone: 01-634 1148.

CHARLES BARKER
SELECTION·SEARCH·ADVERTISING

Close Brothers

BANKER Age 27-35

We are looking for a young banker, with experience of lending, to help in the expansion of our commercial loanbook. The work is varied and demanding, and offers front-line responsibility.

The likely candidate will relish this opportunity to join an ambitious team and to contribute directly to its planned growth. Salary approx £25,000 (but to match ability and experience), plus car and other benefits.

Please apply with C.V. to:

Peter Stone
Director
Close Brothers Limited
36 Great St. Helen's
London EC3A 6AP

LAND AGENCY POST

A challenging and important position occurs in Lowther, Scott-Harden & Partners, an established northern firm of Chartered Surveyors, for an F.R.I.C.S. to:—

★ Assume responsibility for the management of the 28,000-acre Lowther Estates (comprising farms, 6,000 acres of dedicated woodland, cottages, etc., plus a large acreage of common land and mineral rights) in Cumbria w.e.f. 5.4.86 after retirement of the present agent.

★ Play an important part in improving the firm's service to existing clients.

The successful applicant will be aged 30-45 and will join the firm not later than autumn 1985 but it could be earlier. It is assumed that he will already hold a senior position and have experience of running a business as well as landed estates.

Remuneration package negotiable but will include salary, car and terms of entry to partnership at a pre-agreed future date after a reasonable trial period.

Applications with C.V. will be dealt with in absolute confidence by Senior Partner.

Reply to A. W. Scott-Harden Esq., F.R.I.C.S.
marked "AWSH Lowther Appointment"
LOWTHER, SCOTT-HARDEN & PARTNERS
Monkend Estate Office
South Parade, Croft, Darlington
Co. Durham DL2 2SJ

STOCKBROKING/BANKING

INVESTMENT ANALYST (BANK SECTOR/RETAIL SECTOR)	£NEG + EX BONUS
QUALIFIED ACCOUNTANT	£NEG + EX BONUS
EUROBOND SETT'S SUP	£11,000 + MORT
EQUITY DEALER	£10,000 + BONUS
SNR EQUITY SETT'S CLERK	£9,000 + BONUS
SHORTHAND TYPIST/SECRETARY	£8,000 + BONUS
VALUATIONS CLERK	£8,000 + EX BONUS

CAMBRIDGE APPOINTMENTS 01-623 0101

Assistant Manager – Information Systems

An excellent opportunity exists within our Corporate Services division to become involved in user analysis and the preparation of business cases in support of information systems proposals in our London, Jersey and Isle of Man operations. The position based in London will also be responsible for procedures and will assist in the process of standardising operating practices across the region.

The successful candidate will be in his/her mid to late twenties with experience of information systems in a banking or financial environment, gained in an operations, internal audit or O & M role. Effective communication skills both verbal and written are essential.

Salary will be negotiable in the range of £12,000 to £14,000. In addition we offer a comprehensive range of fringe benefits including a mortgage subsidy scheme, pension and life assurance scheme, private medical cover, free staff restaurant and personal loans.

Please write in confidence with career and salary details to:

John A. Newman, Associate Director,
The Royal Trust Company of Canada,
Royal Trust House,
48-50 Cannon Street, London EC4N 6LD.

ROYAL TRUST

DP Manager

City *from £17,500 + car*

Our client is Union Bank of Switzerland (Securities) Ltd., the UK based investment banking subsidiary of the largest bank in Switzerland. The company currently specialises in Eurobonds, but is undertaking an ambitious programme of expansion into the wider international securities markets, and therefore requires to extend substantially its EDP applications. To assist in the planning, and to undertake the implementation of the required computer support, the new position of DP Manager has been established.

Reporting to the Director of Administration, the DP Manager will take immediate responsibility for running the present IBM System 38 as well as contributing to the development of an appropriate computer strategy for the future. He or she will liaise with external specialists, monitoring and controlling suppliers, and generally ensuring that an efficient, reliable and cost effective computer facility is available at all times to user departments. Since tha company's business strategy requires a high level of office automation and electronic support, the DP Manager will have responsibility for ensuring that all such equipment is up to date and that Management are continually advised of relevant technological developments.

Candidates, who are likely to be aged 28 – 35, should ideally be educated to degree standard and have experience of controlling EDP applications in banking. Familiarity with IBM System 38 and Wang word processors would be useful, as would experience of personal computers and financial modelling packages such as Lotus 1-2-3 or Symphony. The person appointed will almost certainly have had management responsibility for part of a major installation or all of a small integrated facility, and will be accustomed to commnicating with senior non-DP Managers and staff in user departments.

The position offers a challenging career move for a young DP specialist wishing to undertake a high profile role in a successful and growing business. In addition to the attractive salary, a generous package of benefits, including a car, is offered.

Candidates, male or female, should apply in confidence detailing their career history, salary and reason for application to:
Alannah Hunt, Executive Selection Division, Southwark Towers,
32 London Bridge Street, London SE1 9SY.
Please quote ref MCS 6022.

Price Waterhouse Associates

Unit Trusts 25-29

Analyst/ Fund Manager

The opportunity for an outstanding young Analyst/Fund Manager to progress further into Unit Trust Management is currently being offered by the Investment Management Company of a major Accepting House.

Although some Fund Management experience is desirable, our cliants are prepared to consider an outstanding young analyst particularly with experience in the Smaller Companies area.

Applicants should have had three or more years experience at analytical level with a merchant bank, stockbroker, pension fund or similar organisation, be in their *mid-to-late twenties*, and be educated to degree level.

A highly competitive package is offered.

Please reply in the first instance to Keith Fisher, quoting Ref. 566, at Overton Shirley & Barry, Prince Rupert House, 64 Queen Street, London EC4R 1AD. Tel: 01-248 0355.

Overton Shirley & Barry
INTERNATIONAL SEARCH AND SELECTION CONSULTANTS

CORPORATE/PROJECT FINANCE ADVISORY SERVICES £25-£40,000 PA

Our client, a major merchant bank, seeks 2-3 highly professional bankers (LLB MBA ACA), aged 28-32 years with international experience of negotiating complex major asset finance, capital intensive project related transactions in an "off-balance" sheet role. Consideraóon will be given to MBA's or ACA's with strong "financial engineering" experience gained with a consultancy/fee-income type of institution. Salaries are very negotiable and will not be the deciding factor.
Contact Brian Gooch.

EUROBOND SALES/TRADING

Institutional sales/traders are required for various banks or bond securities houses. The requirements stem from an expansion of the trading activity or from houses seeking to establish a presence in the Eurobond and Floaters markets. Excellent salary and remuneration packages are available for sales/traders with at least 12 months experience.
Contact Bryan Sales.

MARKETING OFFICER— SCANDINAVIA To £30,000

We seek a US credit trained, graduate banker, with several years new business experience and extensive contacts in the Scandinavian markets, aged 30-35 years.
Contact Norma Given.

Jonathan Wren and Co, 170 Bishopsgate, EC2M 4LX. Telephone 01-623 1266.

Jonathan Wren
BANKING APPOINTMENTS

Private Placements

Our client, the established and successful merchant banking affiliate of a leading US bank, is currently enjoying considerable growth in its activities. As part of this expansion, a new role has been created for a highly motivated individual to be responsible for the development of Private Placements with major non-bank investing institutions in both the UK and Europe.

The successful candidate will have had considerable involvement with such institutions. In addition an understanding of the Bond and Foreign Exchange markets and experience of negotiating at a senior level are pre-requisites for the appointment. A background in the management, servicing, or advising of pension, insurance company or discretionary funds could be particularly relevant.

This position offers an attractive salary package and other benefits normally associated with a major international bank.

Interested applicants should write, enclosing a full curriculum vitae, to **Chris Smith,** Banking & Finance Division, Michael Page Partnership, 23 Southampton Place, London WC1A 2BP, or phone **01-404 5751** quoting ref: 3427. Strictest confidentiality is assured.

MP
Michael Page Partnership
International Recruitment Consultants
London New York Bristol
Birmingham Manchester Leeds Glasgow

THE UNIVERSITY OF SHEFFIELD

DIRECTOR OF THE COMMERCIAL AND INDUSTRIAL DEVELOPMENT BUREAU

(Minimum £17,275 p.a.)

Applications are invited for the above post which has fallen vacant on the return of the previous holder to a post overseas. The Director of the Commercial and Industrial Development Bureau spearheads the University's exploitation of ideas, inventions and commercial products for the benefit of British Industry.

Applicants should have had wide marketing experience in industry and commerce and should possess a high level of entrepreneurial and management skills.

Initial appointment up to five years. *Salary will be within the professional* range, minimum £17,275 a year.

Further particulars may be obtained from the Registrar and Secretary, The University, Sheffield S10 2TN, to whom applications (one copy), naming two referees, should be sent not later than 22 October 1984. Quote ref: R168/EU.

General Manager

Sales/Marketing

Financial Products **£30,000**

For a newly formed company specialising in credit life/disability insurance and related products. It is backed by a successful and established US insurance company and a well known UK insurance broker.

As General Manager Sales and Marketing you will play a key role with other senior executives in developing the business. Your main responsibility will be to sell and promote the company's products to the financial community. You will also be closely concerned with new product development and marketing strategy.

You will probably be aged over 35 and must have had senior level sales or marketing experience in the consumer finance and/or insurance sector. The ability to operate at or near board level within financial institutions is essential. Remuneration is for discussion but should not be a limiting factor. Benefits will include a company car and a performance related bonus.

Write in confidence to John Cameron, quoting ref. CF321, at 10 Bolt Court, London EC4A 3DB (telephone 01-583 3911).

Chetwynd Streets
Management Selection Limited

Accountants and Lawyers for Corporate Finance

Increased business in our Corporate Finance Department has created opportunities for professional qualified LAWYERS or ACCOUNTANTS to extend their careers with Hambros.

We have seen a substantial increase in our activities in this field during the past year and are determined to sustain this growth and develop further business.

Successful candidates are likely to be aged 26-30, with at least 2 years' post-qualifying experience in a leading City firm. Involvement in all types of financial advice for major clients will be expected including flotations, rights issues, mergers and acquisitions and corporate reorganisations.

These are demanding positions, offering excellent salaries and fringe benefits. If you are ready to accept the challenge please write, enclosing a C.V. to: G. M. Wolfson, Director, Head of Personnel, Hambros Bank Ltd., 41 Bishopsgate, London EC2P 2AA.

Hambros Bank

PERSONAL FINANCIAL PLANNING

A leading UK institution with a unique investment idea wish to appoint three people between 30 and 55 for its marketing operations. Possible earnings excess of £30,000 (commission) per annum.

Tel: Ian Kirkwood
SUN LIFE UNIT SERVICES
on 01-831 8681

Mike Pope & David Patten Partnership

Bank Recruitment Consultants

Operations Manager (30-40) American Bank exp.	to £22,000
Spot Dealer 22-27	to £20,000
Corporate Dealers to 30	£ neg
Graduate Lending Officers	c £17,000
Credit Analyst Senior	to £15,000
Junior Credit Analysts	to £12,000
Loans Administrators	to £9,500

PLEASE PHONE MIKE POPE
01-247 0053
Bank Chambers, 2nd Floor
214 Bishopsgate, London, EC2

APPOINTMENTS ADVERTISING APPEARS EVERY THURSDAY

Rate £34.50 per single column centimetre

CORPORATE DEVELOPMENT MANAGER

Up to £25K+car **Central London**

A profitable, soundly-based international engineering and electrical group wishes to appoint a senior executive as a *key member of its* central team guiding its expansion in the UK and internationally over the next five years.

Reporting to the Group's Chief Executive, the successful candidate will:

- be an imaginative self-starter with the maturity and confidence to advise both divisional and main boards;
- hold a good degree ideally followed by an MBA or equivalent;
- have significant line industrial experience and be able to demonstrate analytical ability and a sound grounding in fundamental business disciplines.

Whilst age is not a critical factor, candidates under 40 with the potential to develop this assignment into top-line management will be preferred.

The position — based in Central London — carries an excellent remuneration package which fully reflects the importance of the appointment.

Applications are invited from male and female candidates who should in the first instance send a full curriculum vitae, quoting ref: CDM/FT, to the Appointments Manager, Shipway Communications Limited, Western House, Smallbrook Queensway, Birmingham B5 4HD.

Confidential Reply Service: Applications will be treated in the strictest confidence. Please list in a separate, covering letter any companies to whom your application should not be forwarded.

SHIPWAY

London based/Aged 28/32

Business Development Manager

Electronic Products and Services c£20,000

Our Client is the publicly quoted holding company of a highly successful group of companies operating in a fast growing industry sector. Today they are the leading force in their specialist field and have interests both in the UK and overseas. *This position has been achieved by sound management combined with an aggressive acquisition and investment policy.* Profits and sales (currently £25m) have grown *dramatically in recent years.*

The Company is seeking a Business Development Manager to identify further investment opportunities and to manage the implementation of those projects allocated to him/her. The job holder will also contribute to the Group's development strategy.

The job calls for sound judgement, investigative and negotiating skills combined with an ability to handle the detail of project implementation. Candidates, aged 28/32, will be Chartered Accountants or MBA's as well as offering significant relevant investment experience. They should also have relevant experience gained either in smaller companies or in Venture Capital/Corporate Finance institutions ideally with an emphasis on small to medium sized private company work.

Please write in the first instance to E. St. V. Troubridge, quoting ref: 576, at Overton Shirley & Barry, Prince Rupert House, 64 Queen Street, London EC4R 1AD. Telephone: 01-248 0355.

Overton Shirley & Barry
INTERNATIONAL SEARCH AND SELECTION CONSULTANTS

Banks Analyst

Our client, a major research based firm of Stockbrokers with excellent UK and international business, seeks an ambitious individual of high calibre to analyse the Banks sector.

The successful candidate is likely to be aged 25 to 35 with sound knowledge of the banking sector. Whilst this may have been gained within a stockbroker *or as an accountant, auditing banks, it* will ideally have been acquired from within the industry itself. The ability to communicate clearly, both verbally and in writing, is essential.

The job involves joining a well *established financials team,* to cover the Banks sector with an initial emphasis on UK clearers but gradually expanding coverage internationally. It is envisaged that the successful individual will play a key role in the further development of this highly regarded team.

Remuneration, by way of salary and bonus, will be made attractive to the right individual.

Please contact Stephen Embleton or Elizabeth Evans who will treat all enquiries in the strictest of confidence.

Stephens Associates
International Recruitment Consultants
44 Carter Lane, London EC4V 5BX. 01-236 7307

CHIEF ACCOUNTANT

Foreign Exchange & Money Market Operations

Our Client, the London based dealing operation which forms part of a significant and distinguished multi-national trading organisation, seeks a qualified Accountant to assume control of the financial aspects of all trading activities, in addition to the normal accounting functions.

Candidates, probably in their late 20's/mid 30's, will be Chartered Accountants with previous responsibility for f/x and money market accounting acquired from within an active international bank. Experience of cash instruments, financial futures and currency options would be particularly advantageous.

This can be seen to represent a challenging and highly attractive opportunity for a self-starter who relishes a close involvement in the international currency markets, and will be rewarded by a competitive salary and traditional City benefits.

Contact Norman Philpot as advisor to the Company on 01-248 3812

NPA Recruitment Services Ltd
60 Cheapside · London EC2 · Telephone 01-248 3812 3 4 5
Management Consultants · Executive Search

Floor Trader

LIFFE

Citifutures is looking to expand its floor trading activities and this development has created an immediate opportunity for an experienced LIFFE Floor Trader.

As a LIFFE silver badge holder you will probably have at least six months' active floor trading experience and have detailed knowledge of the floor activities and procedures.

Aged between 20 and 24, you should have the ability to interpret market information both inside and outside the floor and be able to execute orders for the Exchange and other market members without direct supervision.

This is an excellent opportunity to join a highly successful, expanding unit and an attractive compensation package will fully reflect your experience and qualifications.

Please write with personal and career details to: Mrs. Jamie Bloom, Personnel Officer, 335 Strand, London WC2R 1LS.

CITIBANK

SENIOR UK EQUITY FUND MANAGER

20k + CAR + MORTGAGE SUBSIDY + BENEFITS AGE 27-45

You have at least 3 years' fund management experience in a successful UK Equities operation. You now wish for increased responsibility, secure career prospects and the opportunity to make a significant impact in the City, *through the management of a substantial Equity portfolio, with exposure to directors and pension fund trustees.* In addition you wish to join an institution which recognises the importance of innovation in fund management.

PROFILE REQUIREMENT:

- Investment research experience coupled with a professional qualification is desirable.
- Marketing aptitude and excellent communicative skills are fundamental, as is the potential to exploit new *business opportunities and accept increasing responsibility.*
- Evidence of team skills, ideas and an innovative approach to portfolio management along with direct dealing experience are expected.

Our client, one of the largest UK institutions with substantial involvement in financial services, now wish to recruit an additional fund manager to their segregated funds portfolio managment division. This demanding position has high visibility to *senior management and clients alike, the opportunities for advancement are excellent.*

RESPONSIBILITIES INCLUDE:

- Achieving realistic performance targets for the UK equity constituent of a number of segregated funds with an equity content of over £75 million and reporting directly thereon to the Managing Director. Dependent upon progress and abilities, overall accountability for performance will be broadened to include the Gilt and *International element of the segregated funds under management,* which, together with UK equities, account for almost £200 million.
- Dealing directly with brokers and market makers – considerable personal dealing authority will be given.
- Developing new business presentations to attract additional funds.
- Attending Trustee meetings along with the Managing Director, where, as an equity expert, the successful *applicant will be expected to answer authoritatively all questions, but especially those related to equity* performance of the funds. Representing the institution at company annual meetings and research visits when necessary.
- Encouraging active contribution in ideas and strategy from the institution's investment analysts.

Candidates interested in this challenging role should send a detailed c.v., which will be treated in the strictest confidence to J. PHILIP-SMITH F.C.A., Executive Selection Division.

Harrison & Willis
Cardinal House
39-40 Albemarle Street
London W1X 3FD
01-629 4463

SYSTEMS ARCHITECT

Large overseas bank, ranked in world's top one hundred, is planning the re-development of its domestic retail and wholesale accounting and customer service systems and wishes to locate a top class Systems Architect who has a proven track record in this field, to direct the project. A contractual arrangement is envisaged with rewards linked to performance and matching scale of the exercise. Executives of the Bank will be in London within the next month to interview candidates.

If you believe you have the appropriate background and vision send your resumé to Box A8767.

YOUR OWN BUSINESS

Right now you could be starting your own business with no capital outlay. You could be dealing with business decision-makers and providing them with the financial services they need.

Your potential earnings would be without limit but *you would still* receive full training and initial financial support.

If you are an entrepreneur call me.

William Daysh
Allied Hambro Financial Services
Tel: 01-437 9657

ALLIED HAMBRO

Appointments Wanted

50 YEAR OLD

completing 5-year assignment seeks challenging P/A position with top executive. International experience includes Banking, Trading, Industry, Property. Accustomed to constant travel.

Write Box A8758, Financial Times 10 Cannon Street, EC4P 4BY

هكذا من الأصل

Economist

An influential role with Ford of Europe

up to £14,500 pa + car

Ford seek a professional Economist with broad experience to join our Economic Studies Department located at our Central Office in Brentwood, Essex. The successful applicant will join a small but influential team whose role is to analyse key economic, vehicle market, and political trends affecting Ford activities throughout Europe.

It will be your responsibility to analyse short and longer-term economic developments and to evaluate their impact on the Company's business. It is a challenging role requiring the ability to adapt to a fast-moving highly competitive international business and to operate efficiently under pressure. Good communications with both fellow economists and with Ford management will be vital.

Our need is for a successful man or woman, probably in his or her late 20s, with a good economic degree and at least three years' experience in an Economics-related field. This experience could have been gained either in industry, in a private or Government research function or in a Higher Education establishment. Knowledge of a second European language would be an advantage.

Prospects for advancement are significant. We offer an initial salary of up to £14,500 pa, depending on experience, plus lease car facility and the big Ford benefits package which includes relocation assistance where appropriate.

Please write with sufficient details to make an application form unnecessary, to Greg Hunt, Room 1/578A, Ford Motor Company Limited, Eagle Way, Warley, Brentwood, Essex. Tel: Brentwood (0277) 252369 or 252309.

Ford

Business Development

25 — 30 Scotland

c£17,500 + car

An exceptional career opportunity has arisen in one of the U.K.'s most rapidly expanding companies to work with the Director responsible for Group development.

The role involves investigating and evaluating business development opportunities as well as contributing to the formulation of corporate development plans. An additional feature of the appointment is the requirement to establish a representative European office for one of the Group's trading companies based in the Far East.

In addition to sound analytical skills, candidates — male or female — should be capable of understanding the characteristics of a wide range of business enterprises and must be able to undertake assignments which involve commercial discussions with third parties. They should be qualified at graduate or professional level in one of the recognised business disciplines and have relevant experience in industry, together with the ability to think creatively as well as systematically.

Salary will be pitched to attract the calibre of person required and an excellent benefits package includes relocation costs.

Write or telephone for an application form or send detailed c.v. to Douglas Kinnaird, as advisor to the Company, at the address below, *quoting reference number AA96/8912/FT on both letter and envelope.* No details are divulged to clients without prior permission.

PA

PA Personnel Services

Fitzpatrick House, 14/18 Cadogan Street, Glasgow G2 6QP
Telephone: 041-221 3954 Telex: 779148

MANAGEMENT APPOINTMENTS

Recently Established Private Banking Institution

In line with its programme of planned expansion, our Client with strong financial support seeks to augment its existing management team with 2 experienced bankers in the following key areas:

LOANS MANAGER

As a member of the Credit Committee, the position calls for a detailed knowledge of all types of lending facility, and will embrace the assessment and preparation of all loans for approval, and subsequent control and maintenance of the loan portfolio.

BUSINESS DEVELOPMENT

Working with the General Manager, the successful incumbent should possess a broad base of general international banking together with a successful record of client development and business generation in the UK and Europe.

Both appointments present a ground floor opportunity for self-motivated bankers, probably in their 30's, to contribute to the growth of a bank whose commitment, integrity and objectives are a positive and attractive feature.

Contact Norman Philpot in confidence on 01-248 3812

NPA Recruitment Services Ltd

60 Cheapside · London EC2 · Telephone 01-248 3812 3 4 5
Management Consultants · Executive Search

Unit Trusts

Manage Private Investor Marketing

Do you have a background in equities, unit trusts or unit linked investment? Could you run a department responsible for marketing unit trusts to the public? If so take this opportunity to join one of the largest UK investment companies where prospects for further advancement are excellent.

Reporting to a Director you will be responsible for managing 7 staff as well as personally providing a wide range of investment advice to existing and new private investors. An important aspect of the job will be to develop new ideas for direct marketing to individuals.

Probably in your late twenties or thirties you have experience of marketing financial services to the public and will ideally have had some supervisory experience. You are well organised, highly motivated and capable of achieving results in a dynamic and informal environment.

Salary will be in the range £15,000 to £20,000, plus bonus, BUPA, excellent contributory pension scheme and life assurance. To apply telephone or write enclosing a cv to Barbara Lord of Cripps, Sears and Associates (Personnel Management Consultants), 88/89 High Holborn, London WC1V 6LH. Telephone 01-404 5701 (24 hours).

Cripps, Sears

Morgan Grenfell

& CO. LIMITED.

Senior Investment Analyst

We are seeking a senior analyst to join the UK research department of our expanding Investment Division.

The successful candidate will be expected to contribute to portfolio strategy and stock selection for the bank's investment clients.

Remuneration will be based on experience and will include such benefits as a preferential mortgage scheme, non-contributory pension, BUPA etc.

Applications, including brief details of career to date, should be sent to: —

P.M. Lefevre, Head of Personnel,
Morgan Grenfell & Co. Limited,
23 Great Winchester Street,
London EC2P 2AX

HEB is a new company set up with the objective of strengthening the Haringey Economy by investing in profitable and job-generating local ventures. The Board has been successful in obtaining finance from the Greater London Enterprise Board and the London Borough of Haringey.

CHIEF EXECUTIVE

£17,500 - £20,000

Reporting to the Independent Board, you will take prime responsibility for developing projects, negotiating investment packages, and appraising proposals. You will be expected to take the lead in ensuring the swift establishment of HEB and its investment portfolio.

You will have a proven track record in industrial or commercial investment combined with the breadth of knowledge and innovation to initiate opportunities in the local economy.
You must be able to develop projects which give the fullest account to both commercial and broader economic objectives.

INVESTMENT EXECUTIVE

£13,500 - £16,000

You will be responsible along with the Chief Executive for developing and supervising HEB's potential and actual investments, through all stages. Whilst less experience will be expected for this post, the qualities required are similar to those of the Chief Executive, and a successful background in investment appraisal is expected.

For each of the above posts, a knowledge of the disadvantages faced by Black, Asian and Cypriot people would be particularly useful.

For an informal discussion about any of these jobs, please ring Mr. J. Cape, Company Secretary, on 01-881 3000 ext. 3288.

For an application form please write to: Borough Secretariat, Ref: MS/EDU, Room 46, Civic Centre, Wood Green, London N22.

Closing date: 29th October, 1984.

We are an equal opportunity employer. We welcome your application which will be considered on merit, irrespective of race, marital status, sex or any disability you may have.

HARINGEY ENTERPRISE BOARD

GROUP CHIEF ACCOUNTANT

Thames Valley c£25,000 + Car

Our client is engaged in the manufacture, marketing and distribution of fast moving consumer goods. Its products are a major force in the retail, catering, industrial and export markets and turnover is in excess of £800m.

The Group Chief Accountant will be responsible for directing and co-ordinating all group financial services with particular emphasis on financial control, statutory and management information, the immediate development of fully integrated computerised reporting, budgets, profit plans and providing the Board with sound financial guidance.

Applications are invited from Graduate Chartered Accountants aged 34-40 who, since qualifying with a major professional firm have held senior financial appointments within a substantial organisation, preferably sector-related. In addition to outstanding inter-personal and technical skills you will have proven line management, EDP and broad business experience.

This outstanding opportunity will enable the successful candidate to fully participate in the running of a progressive organisation, and offers excellent scope for continued career development.

A relocation package is available where appropriate.

Please reply in confidence with brief career details or telephone MALCOLM J. HUDSON.

HUDSON SHRIBMAN

The complete financial selection service
College Hill Chambers, 23 College Hill, London EC4R 2RT. Tel: 01 248 7851/8 (24 hours)

Head of Industrial Economics

Unilever is appointing a Senior Manager to head its team of professional industrial economists within the Economics Department in the London head office and to keep up the quality and relevance of their applied work right across the business.

Unilever is a many-sided company with operations throughout the World, in both developed and developing countries. It is both large and diverse, with the bulk of its sales in consumer non-durables markets.

The essential requirements of this key post are a thorough grounding in recent advances in applied (and applicable) research: especially in competitive dynamics; the strategy of conflict; market structure and entry conditions; product maturity; technology diffusion; productivity; and the handling of discontinuous change.

Experience of teaching and of supervision at the postgraduate level or a record of relevant research or consulting are the types of qualifications needed. There will be opportunities to do original work relevant to business and to publish where appropriate.

Competitive salary, in range £25,000 to £35,000 plus fringe benefits, including car.

Applications, in confidence, to:-

Professor David Stout, Economics Department, Unilever PLC, Unilever House, Blackfriars, London EC4P 4BQ.

Euronotes and Money Market Securities Sales Manager

First Interstate Ltd., the established and expanding merchant banking subsidiary of First Interstate Bancorp — a $43 bn U.S. bank holding company — is currently positioning itself for further growth in its activities.

This creates an opportunity for a highly motivated individual to be responsible for the further development of FIL's sales of the new generation of money market securities — including Euronotes.

Candidates must be able to point to a successful record of selling. Previous experience of selling such products is not essential but experience of selling related products such as syndicated credits, loan participations or FRCD's could be particularly relevant, as could experience of selling listed Euro-securities.

This position offers attractive performance related compensation and the other benefits normally associated with a major international bank.

Interested applicants should write, enclosing a full curriculum vitae, to Charles Law, Executive Director, First Interstate Ltd, 162 Queen Victoria Street, London EC4V 4BS, or phone 01-236 5292.

First Interstate Limited

LANCASHIRE ENTERPRISES LIMITED

INVESTMENT EXECUTIVE

Lancashire Enterprises Limited, the profitable economic development company funded by Lancashire County Council, requires a suitably qualified and experienced Investment Executive.

This is a senior post and the person appointed will work in a team alongside other managers and professional advisers.
The successful candidate will have a university degree, a professional accounting qualification and possess several years' experience in financial and accounting operations or business planning. A practical approach is essential.

The key tasks are to:

* Participate in project appraisal and in identifying and evaluating the commercial viability of proposed investments.
* Liaison and negotiation with private sector companies, banks and funding institutions.
* Contribute in the structuring of funding packages.

An attractive salary plus car will be offered to the successful applicant.

Please reply in confidence with full c.v. and recent photograph to:

Mr A. M. Niven
Managing Director
Lancashire Enterprises Limited
Lancashire House
Watery Lane
PRESTON PR2 2XE

Portfolio Manager UK Equities

£20,000 to £25,000 package London

The Coal Industry Pension Funds require an additional Portfolio Manager to join its specialist team based in London.

This key position involves the responsibility for the management of a significant proportion of the Funds' £2,000 million UK equity portfolio.

The successful applicant will have a good honours degree or professional qualification, a thorough knowledge of the principles of investment analysis and extensive experience of fund management, gained preferably within a leading organisation.

It is essential that candidates are also highly performance orientated, self-motivated, have well developed communication skills, and are able to function within a team structure.

Please write, in confidence, with full career details to:

NCB

B. J. Southcott, Director of Equity Investments, NCB Pension Funds, c/o Staff Manager (London Offices), National Coal Board, Hobart House, Grosvenor Place, London SW1X 7AE.

Citibank, one of the largest Banks in the United Kingdom and one of the major financial institutions in the world, operates in 95 countries, meeting its customers' requirements through the provision of a wide range of financial services.

Citibank is...

Account Managers
Investment Industry Finance

We are seeking experienced banking professionals to market the full range of Citibank's commercial and merchant banking services to a portfolio of corporate clients in the investment industry.

Applicants should have at least 4 years' experience in commercial banking, preferably with an emphasis on securities. You will have experience of credit analysis and of marketing to clients with complex and diversified financial needs.

The positions attract a competitive salary and valuable banking benefits including low-cost loans and mortgages, free BUPA and a non-contributory pension scheme.

If you are interested in a challenging and demanding career with a recognised market leader, please send your curriculum vitae to Ms Chris Govett, Senior Personnel Officer, Citibank NA, 336 Strand, London WC2R 1HB.

...providing financial services to the investment industry.

CITIBANK

Merchant Bank Project Accountant
£14,000 neg.

He or she will be investigating and developing new projects for presentation to Senior Management and will also be involved in their subsequent implementation.
Candidates will be recently qualified and have gained experience either in bank audit or Mainstream banking. Age 24/29.

For further details please call:
MIKE BLUNDELL JONES on 01-236 1113 (24 hours)
PORTMAN RECRUITMENT SERVICES

SECRETARY/PA TO FINANCIAL DIRECTOR
Must be numerate with excellent secretarial skills. Previous financial experience an advantage. Position, although based in London, candidate will have to work in Sevenoaks for first 6 months

Please write with cv to:
Mrs. P. M. Hogsden, Harris & Dixon Limited
21 New Street, Bishopsgate, London EC2M 4HH

Group Finance Director
South Yorkshire Based

Hepworth Ceramic Holdings PLC is an international group which continues to expand and improve its results through the introduction of modern and *highly automated production techniques* coupled with a continuing drive in research and development. It has now achieved an annual turnover in excess of £340 million. Success is centred around the group's principal manufacturing base which includes, both in this country and overseas, vitrified clay pipes for underground drainage and conduit, refractory products for the lining of furnaces, plastic building products, and quarrying and the processing of silica sand.

The requirement is for a highly experienced and commercially-minded finance executive who will participate as part of a small, but highly professional, executive team in determining corporate policy and commercial strategy. The successful applicant will work closely with the Group Managing Director in promoting optimum performance in the self-accounting divisions. The position carries ultimate responsibility for the group's accounting policies and practices but the successful candidate will be well supported in this respect.

Applicants, preferably aged 35 to 45, should demonstrate clear achievement in their career to date. They must be suitably qualified and professional in approach and able to communicate with tact and authority in order to establish early credibility throughout the group.

Salary will not be a limiting factor and other benefits will be fully in keeping with the seniority of the position. It is anticipated that there will be a designate period of not more than twelve months.

Please write, setting out how you meet the requirements of the position, to:
Michael R. Andrews,
Executive Selection Division, Southwark Towers,
32 London Bridge Street, London SE1 9SY.
Please quote ref MCS/7144.

Price Waterhouse Associates

International Appointments

Operations Management Consultants in Europe

Booz·Allen and Hamilton – one of the world's largest management consulting firms and leading provider of consulting services to a wide variety of manufacturing companies – is looking for consultants for its expanding European Operations Management Services Practice.

Candidates – probably in the age range of 27 to 32 – will have experience in several areas of Operations Management, including:

- ☐ Production Engineering
- ☐ Materials Management
- ☐ Industrial Engineering
- ☐ Systems and Logistics
- ☐ CAD/CAM & Robotics
- ☐ Cost Accounting

An Advanced Management Degree and fluency in English and in at least one other European language are necessary. Some experience in management consulting would be an advantage but it is not essential.

Typical consulting assignments are in the areas of:

- ☐ Manufacturing strategy
- ☐ Technology and productivity
- ☐ "Supply Chain Management"
- ☐ Manufacturing systems design and implementation
- ☐ Organisation and manufacturing planning

Successful applicants will be based in London, or one of the firm's other European offices in Paris, Milan, Dusseldorf or The Hague, and operate throughout Europe. Terms and conditions of employment are outstanding, as are the prospects for advancement.

Applications, with full curriculum vitae, should be addressed to the Partner-in-Charge of the European Manufacturing and Operations Management Services Practice as follows:

Mr. R. Keith Oliver, Vice President
Booz·Allen and Hamilton International B.V.
30 Charles II Street, St. James's Square, London SW1Y 4AE.

BOOZ·ALLEN & HAMILTON
MANAGEMENT CONSULTANTS

Data General — International Field Audit Manager

Paris — **Attractive Package**

Data General continues to maintain its excellent record of career advancement for its audit personnel with more than half promoted to line positions this year. As a result of a further promotion, our client now seeks an International Field Audit Manager.

Reporting to the Corporate Audit Director in the USA, this key position involves the management of qualified staff who perform international audit assignments in Europe and South America. You will be expected to travel to these areas and the USA for *approximately 50% of your time (with return to Paris at weekends when within Europe).*

Applicants, aged 30+, will have gained previous exposure to a multinational environment and should be ACA/CPA/MBA or equivalent, with fluency in a second and preferably a third European language. Essential qualities for the role include the ability to analyse complex situations, motivate staff and communicate with senior management.

Working with state-of-the-art technology, this will prove to be a challenging position for an ambitious individual who can demonstrate the potential for fast-track promotion into a line management role. A highly competitive salary will be offered together with generous fringe benefits.

Interested applicants should contact **Mark Brewer** on **London 831 0431**, quoting ref. MB/733/FT, or send a comprehensive curriculum vitae to Michael Page International, Sicilian House, Sicilian Avenue, London WC1A 2QH.

MP
Michael Page International
Recruitment Consultants
London New York Bristol
Birmingham Manchester Leeds Glasgow

Qualified Chief Accountant
New Gold Mine Project

Saudi Arabia — **Circa £25,000**

Gold Fields Mahd ahd Dhahab Ltd., a wholly-owned subsidiary of Consolidated Gold Fields PLC are Project Managers to the General Petroleum and Mineral Organisation (PETROMIN) of the Kingdom of Saudi Arabia for the construction, development and commissioning of a 400 tonne per day underground trackless gold mine.

We are currently seeking a qualified Chief Accountant to be based in Jeddah. The successful candidate will be responsible for all aspects of accounting which includes preparation of statutory and quarterly management accounts, budgets and cash flow. Previous experience of working in the Middle East is desirable.

Conditions of employment, ideally on a bachelor status, include furnished accommodation, car and generous leave allowance.

Employment will be on a 12-month renewable contract.

Interested applicants should send full and comprehensive details of career to date to: Personnel Manager, Gold Fields Mahd ahd Dhahab Ltd., 1 Stamford Street, London SE1 9NT.

Gold Fields
Gold Fields Mahd adh Dhahab Limited

WEMCO
... A Good Place To Work...

WEMCO, a Baker International Company, engineers and manufactures capital equipment for industrial and minerals processing. International expansion creates this career opportunity.

GROUP CONTROLLER
International Operations

Consolidate financial reporting for five operating companies located throughout Europe, supplying capital equipment to the minerals and petroleum processing industries in Europe and the Middle East. Initial assignment for 12-48 months will be in Milan, Italy. Future permanent relocation to Paris or London. Requires experience in international finance and accounting with a U.S. based manufacturer and knowledge of U.S. GAAP and FASB reporting requirements. Must be fluent in Italian and English. Knowledge of French is desireable.

To apply send your resume and salary history to:
J Burns
Director, Personnel
WEMCO P.O. Box 15619
Sacramento, CA 95852

WEMCO

MANAGER — CORPORATE COMMUNICATIONS
MAJOR U.S. AIRLINE

London-based position will manage airline's press relations activities throughout Europe. Candidate must have fluency in German or French, both ideal. Experience/familiarity with American business style helpful. We seek a business-oriented person with journalistic sense/understanding of news media. High proficiency with written and spoken word. Capable of generating media interest in the revenue-producing objectives and marketing plans of the company.

Respond to: Box A8768, Financial Times
10 Cannon Street, London EC4P 4BY

EMPLOYMENT CONDITIONS ABROAD LIMITED

An International Association of Employers providing confidential information to its member companies, relating to employment of expatriates and nationals worldwide

01-637 7604

INTERNAL AUDITOR
SALARY NEGOTIABLE · SAUDI ARABIA

ARAMCO, the world's largest oil and gas *producing company has a requirement for an* Internal Auditor to work in its Internal Security Department.

Applicants should hold a formal accountancy qualification and possess considerable experience in the internal audit/investigation departments of an industrial corporation, financial institution, Government department, or at senior rank in a commercial *branch of a U.K. Police Authority.*

They should be well versed in the application of EDP techniques as an aid to investigation, articulate and prepared to support their applications by a history of proven career success to date.

The position will appeal to a candidate who is capable of exercising considerable personal initiative and discretion as a member of a *small, well-established team responsible for* conducting investigations of the utmost sensitivity into all aspects of the Company's world wide operations.

The benefits package is excellent and in addition to a highly competitive salary with the usual expatriate tax advantages includes: unrivalled sports, medical, recreational and social facilities; an indefinite term employment agreement; *subsidised air-conditioned* accommodation and generous holidays with company paid return air fares. In addition, married status may be available for this position.

Write with c.v. or telephone to:
Dept. FT/1110/IA, Comcap Resources Ltd. (Northern), 35 East Parade, Harrogate, North Yorks. HG1 5LQ. Tel: 0423 523091.

ARAMCO | COMCAP RECRUITMENT CONSULTANTS
PARTNERS IN PROGRESS

SHIP FINANCING

One of the largest international merchant banks, located in Paris, requires an experienced

International Banker

to serve in the SHIPPING & TRANSPORTATION DEPARTMENT.

Responsibilites will include marketing activities and the follow up of existing commitments and will cover financial analysis, negotiation and finalization of transactions.

Applicants, aged between 30 and 35 should meet the following requirements: MBA degree or equivalent, International finance experience in a major bank, preferably in ship financing, fluency in English and if possible, a working knowledge of French.

Applications with detailed curriculum vitae be treated in the strictest confidence and should be sent to HAVAS CONTACT - ref. 77905 FT - 1, place du Palais-Royal - 75001 PARIS (France).

HAVAS CONTACT

Appointments Wanted

MANAGEMENT POSITION WANTED

Financial specialist seeks management position with go-ahead company.

☐ Degree in Commercial and Financial Sciences. ☐ 10 years experience with American multinationals; management and budget control, book-keeping, tax avoidance, treasury, Personnel management, EDP experience. ☐ Experience in industrial and high-technology environment. ☐ 5 languages. ☐ Willing to relocate.

Please write to Universal Communication, *chaussée de La Hulpe 122, B-1050 Brussels, quoting reference 824.*

A leading Arab Bank

has a vacancy for the following challenging position:

Treasurer with responsibilities for **Foreign Exchange** and **Money Market** activities.

Only applications from candidates with the following qualifications will be considered:

Professional Foreign Exchange an Money Market Manager with economics or business background, having had extensive management responsibilities in a similar position with a major U.S. or European banking institution.

The job is based in **Bahrain** and travelling is required.

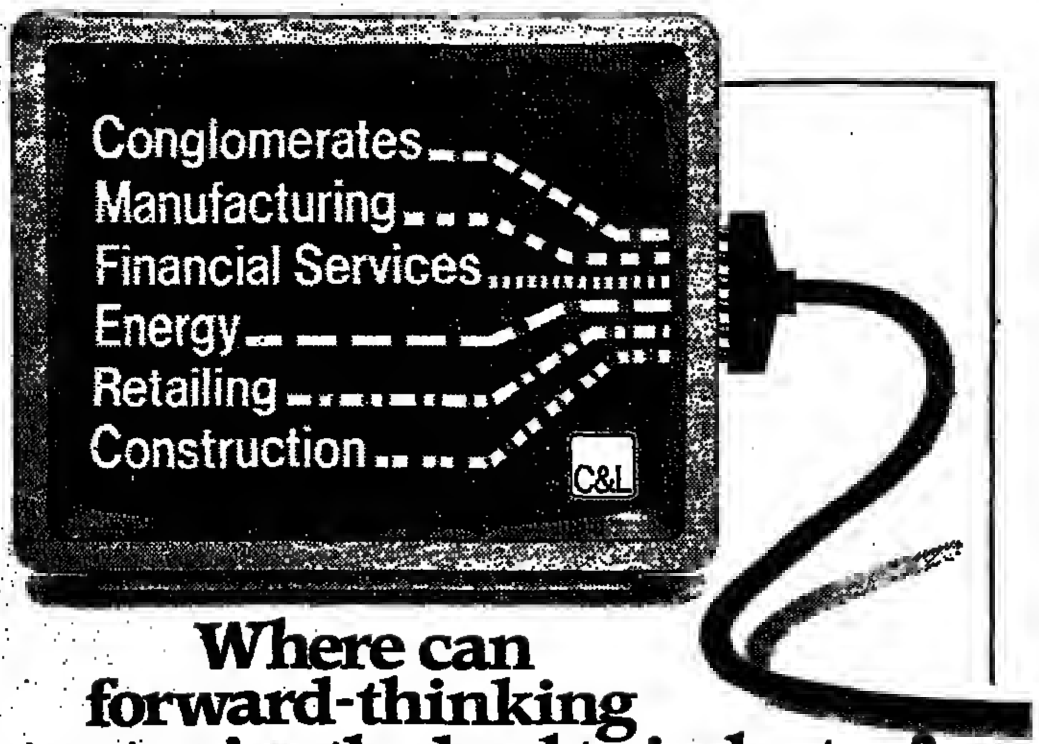
All applications will be treated in strict confidence.

Personal contact with senior bank executives will be arranged for chosen candidates.

Please forward your curriculum vitae and the necessary information to our agent in Germany:

Devisenconsulting-Unternehmensberatung
Bernd Bonness
Am Tiergarten 26 · D-6000 Frankfurt 1 · West Germany · Phone (069) 49 38 10

Accountancy Appointments



Where can forward-thinking accountants give the lead to industry?

Age 27-33 **Package up to £28,000**

You've already proved yourself in industry or commerce. But if you really want to stretch yourself, carefully consider a move into management consultancy with Coopers & Lybrand Associates – a firm that became one of Britain's largest management and economic consultancies by providing a second-to-none service to a surprisingly diverse range of clients.

Join us in Financial Planning and Systems and your input will be expected to have a direct effect oo our clients' output. That will mean using every last ounce of your analytical, yet creative and problem solving abilities – working in a variety of environments both in the UK and overseas.

Profit planning and control, investigations, feasibility studies, information systems – no two assignments are ever the same. And because you'll be working as part of a closely-knit team, your experience and expertise will develop quickly.

Consultancy, however, is no soft option. Apart from being energetic and more than a little tenacious, you must also be diplomatic, intellectually able, adaptable and able to communicate clearly with people at all levels.

Should this sound appealing to you and you are a graduate in your late twenties or early thirties, you can be prepared for some first class on-going training, look forward to a competitive salary plus company benefits and the chance to realise your potential in an atmosphere where second best simply won't do.

Résumés to Clive Williams, Director, including a daytime telephone number and quoting *Ref. F20/84.*

Coopers & Lybrand associates

Coopers & Lybrand Associates Limited
management consultants

Fleetway House 25 Farringdon Street
London EC4A 4AQ

Finance Director and Company Secretary

London-based

Zenith is a wholly-owned subsidiary of Central Independent Television and has been set up to make films and film series for worldwide theatrical and televisioo use.

We require a professionally qualified Accountant with considerable experience of management in industry, ideally but not essentially in television and/or film making. The successful candidate will have had responsibility for controlling multi-million pound projects at home and overseas, including the United States; will be expected to make a contribution to structuring and negotiating co-financing arrangements; will have an awareness of the legal and taxation complexities associated with overseas projects; and will be required to act as the Company Secretary.

The remuneratioo package is attractive and will include a salary up to £30,000.

Please write in the first instance to: **Cliff Baty, Zenith Productions Limited, Portman Square, London W1A 2HZ** explaining why you are the person we will want to employ in this very important job.

ZENITH PRODUCTIONS LTD

Zenith is a subsidiary of Central Independent Television PLC.

Group Financial Controller

Potential Director

E. Midlands **c.£15,000+car**

Our client is a substantial entrepreneurial private group of residential and commercial property developers and builders.

The group operates in established divisional bases with their *own financial management.* A high level of computerisation based on IBM system 34 and 36 machines is at the core of the financial operation.

With the Group Financial Director concentrating on further corporate development the opportunity is created for an alert and confident young chartered accountant to run the hub of the group finance management.

Liaising with the divisional financial controllers and accountants you will be responsible for ensuring adherence to reporting standards and initiating further development. You will also run the small head office accounts function, *produce group published accounts, manage cash and* funding levels. Success in these areas will leave you free to add whatever brief you wish and bring about recognition of your financial director qualities.

First class financial management skills and high professional standards supported by energy, ability to work hard under pressure and on your own initiative are the attributes required. Experience in headquarter financial operations would be useful.

Applicants (under 35) who meet these high standards and are eager for the responsibility this position offers please write with full c.v. to Department C, Peat, Marwick, Mitchell & Co., 21 The Crescent, King Street, Leicester LE1 6RX. All replies will be forwarded to our client, who has undertaken to treat them in confidence, and a covering letter should therefore list any companies whom you do not wish to consider.

PEAT MARWICK

Finance Director

Hampshire Coast **c £25,000 + car**

Our client, a private specialist manufacturing company (turnover US $20 million), is a world leader in its field with a very substantial percentage of overseas sales, from 3 specialised plants to the UK and USA. A rapidly growing company synonyinous with innovation, they currently require a commercially orientated executive to assume immediate financial directorship.

Reporting to the Chief Executive, the role will necessitate a strong international bias with specific involvement in worldwide business strategy, new product planning, acquisitions, pricing policies and treasury matters.

Aged mid 30's, the successful candidate will be a graduate, qualified accountant, preferably with a business studies background. Previous exposure to an engineering/manufacturing environment would be a distinct advantage. A high standard of professional and analytical skills are vital in order to contribute in the broadest sense to corporate development and expansion.

For the right individual, the rewards are excellent both in terms of remuneration and career fulfilment.

Candidates should write to Philip Cartwright, ACMA, Executive Division, enclosing a comprehensive curriculum vitae, quoting ref 161, at Michael Page Partnership, 31 Southampton Row, London WC1B 5HY.

MP

Michael Page Partnership
International Recruitment Consultants
London New York Bristol
Birmingham Manchester Leeds Glasgow

Grow a company and transform a market

Finance Director

£ Negotiable **Bristol**

Our client is a significant strategic subsidiary within the multinational DRG organisation, marketing a wide range of equipment for the office of the 90's. Plans for the company are ambitious in the extreme, involving expansion beyond recognition over the next few years with a view to dominating and transforming their chosen market.

A young financial director of the highest calibre is required, to join the senior management team and bring this major investment exercise to fruition. It's a role for an individual of rare abilities – not just exceptional accounting skills, but also the business flair and vision to shape the company through this exciting period of rapid growth.

You will be expected to make decisive contributions to company policies. This will initially comprise the development of practical financial modes for the company through which strong controls can be operated. Leading a team of finance managers throughout the country, you must set procedures for costing and analysis and ensure the on-target performance of the development project. Of equal importance will be your role as a member of the young dynamic management team, deciding its business objectives and devising the strategy to obtain them.

Of high intelligence, personal presence and maturity, you will galvanise both the team under your control and your management colleagues. The role offers enormous personal scope and provides a quite exceptional career opportunity for someone probably aged early thirties. Experience gained in the service area of commerce is valuable.

Financial rewards for this position are exceptional and include a generous benefits package, as befits the level of candidates our client expects.

Please either telephone for an application form and job specification, or better still send a complete CV to Philip Johnson at Moxon Dolphin & Kerby Ltd., 178-202 Great Portland Street, London W1N 5TB. Tel: 01-631 4411, quoting reference number 2440.

MOXON DOLPHIN & KERBY LTD
Executive Search & Selection

Management Accountant

Property Investment
Brentwood, Essex **c.£13,500+car**

The Property Division of Investors in Industry is engaged in the development and refurbishment of industrial and commercial premises, and the running of a successful property investment portfolio.

We now seek a dynamic young qualified accountant with a record of achievement in management accounting in a progressive firm...or with a good professional training. Experience of both computerized systems and the property market would be particularly useful but not essential. Preferred age 24-30.

This is an important job concerned with the further development of the management accounting function and we are looking for someone who has the potential to expand the job's contribution to the overall success of the Division.

An excellent salary and benefits package will be negotiated.

Please write with full details of experience, *qualifications* and salary expectations, or ring for an application form. Jean Bittlestone, Personnel Manager, Investors in Industry plc, 91 Waterloo Road, London, SE1 8XP. Telephone 01-928 7822.

3i INVESTORS IN INDUSTRY
THE CREATIVE USE OF MONEY.

HORSERACE BETTING LEVY BOARD

FINANCIAL CONTROLLER

circa £25,000 p.a.

The Horserace Betting Levy Board, a statutory body responsible for collecting an annual levy from bookmakers and applying the proceeds for the benefit of horseracing, breeding and veterinary research, wishes to appoint a senior financial executive to the new post of Financial Controller. As chief financial officer the successful applicant will be a member of the senior management team headed by the Chief Executive and will be responsible for managing an annual budget of £20 million and advising on all aspects of the Board's financial affairs. He/she will have the challenging responsibility of introducing into the Board sophisticated computerised systems.

Salary will be negotiable but is likely to be in the region of £25,000 per annum. The Board operates a contributory pension scheme.

Applications, giving full details of career to date, relevant qualifications and experience and present salary, should be submitted in confidence by no later than 25th October 1984 to the Chief Executive (Ref: CE/FC), from whom further details may be sought.

Horserace Betting Levy Board
17-23 Southampton Row, London WC1B 5HH
Tel: 01-405 5346

Accountancy Personnel

FINANCIAL CONTROLLER BANKING SECTOR

CITY £16,000 + Mortgage

Potential for Financial Directorship

A dynamic and progressive approach has brought rapid success for our clients in the banking and financial service fields. Business growth in this country and overseas has brought about a need to appoint a Financial Controller with the ability to hold his own amongst a young and extremely "expansion orientated" management team.

Initial tasks will be to manage and motivate a large department, as well as handling treasury matters and international reporting. Ultimate success (including Board prospects) will depend on ability to contribute to planning and analysis of new products and general business strategy.

Either recently qualified or with experience in banking sector. Candidates should apply, quoting Ref: C216 to:-

9 Eastcheap,
London, EC3
Tel: 01-626 0666

CHIEF ACCOUNTANT

North East £18,000 + Car

Our client, a major UK Public Group, offers an excellent opportunity at a very senior level in this important subsidiary company. The Group is involved in a variety of manufacturing activities including the development of several high technology products and looks forward to an exciting period of continued progress and expansion.

Reporting directly to the Board and acting as a member of the management team, the successful candidate will take charge of a substantial finance department dealing with the provision of financial and management information, cash control and the maintenance and development of computer systems. You will be a qualified Accountant, early to mid thirties, with the ability and drive to lead an experienced team and make a positive contribution towards the management of the company.

A comprehensive package is available including car and various other benefits associated with a large company.

9 East Parade,
Leeds LS1 2AL
Tel: 0532 438384

Placing Accountants First

Accountancy Appointments

Group Accountant

West End **c £15,000**

For the holding company of a major and successful international group which has operating subsidiaries in the UK, Europe, Africa, the USA, Australia and the Far East. Turnover is running in excess of £400 million and the group is well placed for further growth both organically and by acquisition.

You will join a small team at corporate headquarters reporting to the Group Finance Director and responsible for the preparation of regular management information for the Board, the year end consolidation, financial analysis, tax planning, and the co-ordination of budget preparation worldwide. You will work closely with the top management of the group and there is a possibility of some foreign travel.

You should be a qualified accountant in your mid twenties and have trained with one of the major accounting firms. Technical ability and drive are essential attributes and there are good career prospects within the group both in the UK and overseas. The remuneration package will include a car in due course.

Write in confidence to John Cameron, quoting ref. C271, at 10 Bolt Court, London EC4A 3DB (telephone 01-583 3911).

Chetwynd Streets
Management Selection Limited

FINANCIAL CONTROLLER

circa £12,000 plus benefits

We are one of the major suppliers of contract labour to the construction industry.

We need a Chartered or Certified Accountant with a background of successful commercial experience to take overall charge of the company's accounting function. Your contribution will be crucial to profit performance and as such there is real scope to develop your career within a thriving and expanding organisation.

Chanton Engineering Ltd
Chanton House
Ickenham House
West Ruislip
Middlesex HA4 7DL
Tel: Mr. C. J. M. Harrington
Ruislip 39933.

For Accountants the future couldn't look brighter

London Up to £15,000

There's an exciting future in accounting at British Telecom Mobile Systems and Services. We develop and market products for people on the move – such as Radiopaging and Radiophone – which are revolutionising the way businesses work. The accounting activities of our fast moving, expanding and profitable operation are going ahead at the same rate.

Project Accountant-Radiopaging

Radiopaging operates a fully devolved accounting system and is currently installing and developing powerful computerised support.

Important aspects of the job, in addition to helping with this development, will be ad hoc project work; participating in budgeting and planning operations; new product and service evaluation; large scale billing and sales ledger development; capital project evaluation.

Financial Accountant-Central Services

The successful applicant will play a key role in the Central Unit which has overall responsibility for monitoring the financial performance of the operating businesses. This position will involve wide-ranging financial accounting responsibilities, including consolidations and management accounts, accounting policy and computerised accounting/reporting systems development activity.

Applicants for either position must be qualified accountants, preferably ACMA and ACA respectively with good practical post-qualification experience in industry including computerised systems.

Salaries are up to £15,200 rising to a maximum of £17,000.

Please apply with full CV to Tracey Beaumont, British Telecom, Room 6132, 23 Howland Street, London W1.

British TELECOM

Recently Qualified ACA

for a Major Financial Institution

c£16,000 + profit-related bonus

Our client is the City-based subsidiary of a leading U.S. Investment Bank, whose main operations cover International Equities, Commodities and Capital Markets.

We have been retained to recruit a recently qualified ACA, probably in the mid 20s, who is looking to develop a career in a substantial, diversified financial institution.

Your immediate involvement will be in all aspects of accounting and reporting, with a particular emphasis on the development of improved systems and management information.

You will need to come quickly to terms with the nature of the company's activities and relate easily and effectively with its Product Managers. You must therefore be positive, forward-thinking and keen to take individual responsibility in the short term.

Please send a detailed c.v., including contact telephone numbers, in strict confidence to Peter Wilson, FCA at Management Appointments Limited (Recruitment Consultants), Finland House, 56 Haymarket, London SW1Y 4RN. Tel: (01) 930 6314.

Management Appointments Limited

Finance Director (Designate)

Rural North West **c£20,000 + car (plus substantial review on final appointment)**

Our client is a £ multi-million turnover specialist process manufacturing subsidiary of a major US multi-national.

They wish to recruit a Finance Director (Designate) who will be appointed to Director level by end 1985. Apart from responsibility for the finance functions both in the UK and at several overseas locations, the Finance Director is required to play a significant part in the overall management of the business, with particular emphasis on strategic planning and the profitable development of the business, investment and acquisition appraisals, development of management information systems and the motivation of a team of 80 staff.

The successful candidate will be a qualified accountant of graduate intellect, who can demonstrate the managerial experience, technical expertise, personal presence and communicative abilities required to make an immediate impact at senior level within a major company. Age indicator: 35+.

Comprehensive relocation facilities are available where appropriate. Interested applicants should contact Alan Dickinson, quoting ref. 6992 on 061-228 0396 at Michael Page Partnership, Faulkner House, Faulkner Street, Manchester M1 4DY.

MP
Michael Page Partnership
International Recruitment Consultants
London New York Bristol
Birmingham Manchester Leeds Glasgow

SOLE PRACTITIONER with attractive Mayfair Office seeks youngish C.A. with all round experience to operate the practice. Brief background and details to Box A.8749, Financial Times, 10, Cannon Street, London EC4P 4BY.

Retail

Financial Controller/ Director Designate

Age; 28-33 **Northern City**

The company is one of the fastest expanding UK retail operations – a division of a group with an impressive growth record and plans to go public in the near future.

It operates 'shop within a shop' outlets in major superstores – currently 42, rising to 100 with £22m turnover by 1987, and with longer-term expansion plans.

You will be responsible for its total financial control, supported initially by a small clerical staff. Specific responsibilities include line control of stocks, cash and margins; advising on pricing, marketing strategies and capital projects; and involvement in computerisation, including EPOS.

You will be qualified (CA, ACMA, ACCA), with similar 'hands-oo' experience in a well-managed and computerised retail operation – probably now seeking the No 1 financial post with Board prospects.

Salary around £15,000–£17,000, plus managemeot performance bonus up to 30%, and car.

A similar vacancy is expected to arise in the near future in the group's retail distribution division supplying independent customers. This will also require a retail background, but with a distribution emphasis and, ideally, some involvement in manufacturing.

Please write in strict confidence with full personal and career details, quoting ref 1013/FT, to:–

Philip Smith
Manpower Consultants
85-87 Jermyn Street, London SW1Y 6JD

Chief Accountant

Surrey **c.£16.000 p.a.**

Our client, an international private education group, seeks a fully qualified accountant (FCCA) to lead their small, but efficient, HQ accounts team.

Whilst you will be expected to provide monthly management accounts and prepare periodic feasibility studies amongst other priorities, because of the size of the Department, you must also be prepared to become involved in lesser accounting and book-keeping tasks when necessary.

Initially you will be appointed as Acting Company Secretary; this position will be confirmed following an initial period of consolidation.

Ideally for this key post, our client is seeking a man or woman aged 35-45 with a pleasant personality, a dynamic but methodical approach to work and broad-based experience.

Benefits include private health insurance and pension scheme and 4 weeks leave entitlement. A company car may be included in the package.

For an application form, please write to
Miss J. M. Amos, Director,
Austin Knight Advertising,
20 Soho Square,
London W1A 1DS.

Austin Knight Advertising

(Recruitment Consultants)

Chief Accountant

Nr. Acton **£18,000**

Our client is one of the UK's most prestigious eogineering groups. Due to group restructuring there arises a oeed for a qualified accountant (26-40) who has held a similar positioo either within a maoufacturing or FMCG organisation. Experience of systems development wonld be a distinct advantage. (GS 7900)

Snr. Management Accountants

Nr. Woking **£17,000 + Car**

A leading U.S. multinational seeks to recruit two ambitious qnalified accountants (24-37). Duties include review and analysis of business plans and oew product proposals. *Experience acquired within high technology/manufacturing/engineering* industry would be an advantage. Full relocatioo expenses will be considered. (KDH 7901)

Management Accountants

Slough & Wembley **£15,500**

A highly successful multinational group seeks two qualified accouotants/finalists (23-35). These challenging positions offer outstanding scope for continued career development. The work involves systems development, cost accounting function and production of moothly accounts. Full relocation expenses will be paid. (SR 8334)

Project Accountant

Central Herts. **to £14,000 + Car**

Continued expansion has created this demanding position within a profitable retail orgaoisation. Reporting to the Financial Controller, you will be responsible for projects on an ad hoc basis, cost-saving ventures and preparation of timely reports. The group offers excellent career prospects and full relocation. (SR7624)

PLEASE RING FOR FURTHER DETAILS

19/21 Wilson Street, London EC2M 2TA. Telephone: 01-628 2714

Deboo Executive

Management Accountant

International Financial Services **c£23,000**

Our client has a world-wide business in the financial services industry. The creation of this senior management appointment is part of a broad strategy which has been developed to take advantage of the rapid changes within the industry.

Reporting to the Finance Manager, the successful candidate will design and control the development, implementation, maintenance and operation of a suitable computer based management accounting and reporting system.

Candidates must be qualified accountants with significant experience of working with computerised management accounting, preferably within the industry.

Please send brief career details in strict confidence to Anne Campbell (reference 95) at Spicer and Pegler Associates, Executive Selection, St Mary Axe, London EC3A 8BJ.

Spicer and Pegler Associates
Management Services

ACCOUNTANCY OPPORTUNITIES

As recruitment consultants we are getting a name for ourselves as a company that can provide high calibre accountants for positions with a difference. If you have 2-20 years' post-qualification experience then perhaps you should contact Brendan Maguire on 01-993 5167 — or send us the sort of C.V. that makes form-filling unnecessary.

Technical & Management Appointments
MEW House
6 Horn Lane
London, W3 6QT

TMA

GROUP FINANCIAL CONTROLLER

(Financial Director Designate)

Fast-growing, acquisitive, public group, T/O c. £20m, engineering/oil services contractor.

Reporting to group M.D. you will control entire group financial function — reporting/forecasting/planning — D.P. systems — cash management — tax planning — acquisition aoalysis assistance.

Qualified accountant/MBA — c. 35 — west country — c. £25K + car.

Write Box A.8765, Financial Times
10 Cannon Street, London EC4P 4BY

MANAGER, FINANCIAL SYSTEMS

Christian Salvesen Limited is one of Britain's largest unquoted companies with widespread interests in the U.K. and overseas. Activities include temperature controlled food storage and distribution, housebuilding, shipping and industrial services.

Accountable to the Group Financial Controller, the Manager, Financial Systems, managing a small team, will be responsible for the documentation and co-ordination of group accounting guidelines, assisting in the development of financial systems, and the monitoring of financial security including detailed systems review.

Candidates, in the age range c. 30-35, must be C.A.'s with several years relevant experience, preferably gained in industry, and be thoroughly familiar with computer applications in this area of work. *The location is Edinburgh but some travel is involved.* Excellent salary, company car, superior pension and associated benefits and generous assistance with relocation costs where necessary. Details of experience, age, qualifications and salary to: Mr G R Carter,

Christian Salvesen Limited
50 East Fettes Avenue,
Edinburgh EH4 1EQ

هكذا من الأصل

Accountancy Appointments

GROUP CHIEF ACCOUNTANT

Kent **from £25,000 + Car + Benefits**

We have been exclusively retained by a successful group of companies whose activities include farming, fresh produce marketing, food manufacture and distribution; their customers include the major retailers in Great Britain.

The group are seeking to recruit a qualified accountant, for a newly created senior executive position, reporting direct to the Finance Director. It is unlikely that candidates under 35 years will have the experience and personal skills that this post demands. The successful candidate will have real opportunities of advancement within the group.

Written applications enclosing curriculum vitae should be submitted in strictest confidence to Neil Gillespie or Robert N. Collier at our London address, quoting reference 4806.

410 Strand, London WC2R 0NS. Tel: 01-836 9501
26 West Nile Street, Glasgow G1 2PF. Tel: 041-226 3101
113/115 George Street, Edinburgh EH2 4JN. Tel: 031-225 7744
Brook House, 77 Fountain Street
Manchester M2 2EE. Tel: 061-236 1553

DOUGLAS LLAMBIAS
Douglas Llambias Associates Limited
Accountancy & Management Recruitment Consultants

DLA

Senior Management Accountant

City **Salary c£25,000 + car**

Our client is a major international investment bank with an expanding U.K. presence. A strategic policy of growth and development has created the need for a qualified accountant to act as an integral member of their financial management team.

This new position encompasses responsibility for the U.K. management accounts and will necessitate interface with the holding company as well as co-ordination with senior management.

Probably a graduate, you will have gained broad based experience, either in the U.K. or Europe, with at least two years direct experience with management accounts in a financial institution. Some previous exposure to systems applications would also be a distinct advantage. Key qualities include outstanding communicative skills and an assertive personality. *Age indicator: 27-30 years.*

Opportunities for advancement into line management within the group are excellent and the attractive salary is accompanied by exceptional fringe benefits.

Candidates should write to Don Day FCA, enclosing a comprehensive curriculum vitae, quoting ref: 160, at Michael Page Partnership, 31 Southampton Row, London WC1B 5HY.

MP
Michael Page Partnership
International Recruitment Consultants
London New York Bristol
Birmingham Manchester Leeds Glasgow

Group Financial Director

(Deputy Chairman Designate)

East Midlands *From £30,000 + neg. profit share*

Our client is a family-owned company manufacturing and marketing prestigious consumer products with a turnover approaching £30m. There are excellent opportunities for expansion in the existing product areas and ample financial resources for diversification.

As well as being responsible to the Chairman for the whole financial function, the successful candidate will make a creative, numerate and methodical contribution to the general management of the company. Success in this role will lead to appointment as Deputy Chairman, thus enabling the Chairman to devote an increasing amount of time to his other interests.

Candidates will be under 45 and their professional qualifications, personality and track record will provide clear *evidence of their ability to play a leading* part in the future management of a successful and expanding company. Experience in a relevant manufacturing environment would be valuable.

There is a flexible approach to remuneration and the package agreed will reflect the importance of the appointment.

Please write in strict confidence with a full CV, details of current remuneration and how you feel you match the requirements of the post to Randle Cooke, Director, Kynaston International, Edman House, 17/19 Maddox Street, London, W1R 0EY. Telephone: 01-629 3727.

KYNASTON INTERNATIONAL

ACCOUNTANCY APPOINTMENTS APPEARS EVERY THURSDAY
Rate £34.50 per Single Column Centimetre

Financial Controller — Unqualified/Qualified

Thrive in Franchise Growth

This new position underlines the continuous growth and market leadership of this UK retail organisation recently reported as being 'one of the blue chips among franchise companies'. Their specialist fashion operations number over 150 outlets and the group is poised for diversification into other product sectors, with a business plan for a stock-exchange listing.

To meet this expansion there will be increasing emphasis upon your effective financial and management control which will provide you with an attractive challenge and the opportunity for close involvement with a dynamic management team.

At their central London Head Office the pace is fast-moving and commercial, yet particularly friendly and team-spirited. You will report to the Finance Director and take personal responsibility for all accounts production through to the preparation of consolidated management and financial accounts.

Group accounting is mainly manual at present and your ability to co-ordinate 17 staff is essential. You will assist in planned early computerisation and necessary development to bring all aspects of accounts in-house.

To make this significant contribution requires a winning combination of your detailed accounting expertise and interpersonal skills. Ideally 35-45, you are moving from a medium/small sized organisation and fully committed to ensuring the company's success.

Commencing salary will be circa £14-16k plus negotiable benefits. Please write in confidence with your CV to the company's personnel adviser, Susan Atkinson of Cripps, Sears & Associates, Personnel Management Consultants, 88/89 High Holborn, London WC1V 6LH. Tel: 01-404 5701 (24 hours).

Cripps, Sears

Not just a job but a challenge

FINANCE DIRECTOR

North East **Neg. from £20,000 + car and generous bonus**

This exciting opportunity arises in a well-known industrial company with a worldwide reputation. Turnover is in the £10 – 20 million bracket. The company has worldwide commercial interests and manufactures in the UK and on the Continent. The company was acquired a year ago by a substantial and successful public company whose subsidiaries are run on a strongly decentralised basis. New senior management has been recruited to urgently improve performance and progressively achieve the company's considerable potential.

To assist him in achieving this objective, the Managing Director seeks a committed, results-orientated financial executive with a hands-on approach. Supported by about 20 accounts and data processing staff, the Finance Director will be expected to simplify systems, reduce overheads and improve the quality and timeliness of management information.

Candidates, preferably in their thirties, should have sound manufacturing and international business experience. Success will be additionally rewarded by participation in a significant profit improvement bonus scheme. Relocation expenses will also be paid where appropriate.

Please send a comprehensive career résumé, including salary history and day-time telephone number, quoting ref: 2211 to G.J. Perkins, Executive Selection Division.

Touche Ross & Co.
Hill House 1 Little New Street London EC4A 3TR Tel: 01-353 8011

FINANCIAL PLANNING MGR

Our client, an International Blue Chip Company, has an outstanding career development position for a Financial Analyst. This key appointment offers the opportunity to contribute to the continuing growth of the company via a concerted corporate attack on overseas markets. The successful applicant will assume full responsibility for developing corporate strategy and evaluating operating plans and performance to provide support for new business opportunities. Candidates, aged c.30, should possess extensive financial planning experience gained in a marketing environment.

BUCKS. Ref: CW. **£25,000 + Car**

GROUP ACCOUNTANT

Our client, a well established British Group, requires a Group Accountant to join its Head Office team. You will handle all aspects of group accounting, statutory accounts, budgeting, forecasting and various ad hoc projects, as well as taking charge of establishing a central treasury function. Working in a friendly professional environment, with sophisticated data-processing systems, your career progression prospects will be excellent. Candidates should be qualified accountants with hands-on treasury experience gained in a commercial environment.

W. END. Ref: GR. **£18,000 + Car**

ROBERT HALF
FINANCIAL RECRUITMENT SPECIALISTS
ROMAN HOUSE, WOOD STREET, LONDON, EC2Y 5BA. 01-638 5191.

Finance Director

...for young, expanding PLC

c. £30,000 + car; Home Counties

This opportunity is for a chartered accountant, aged 30 to 40, with the ability and energy to direct and lead successfully the financial function of an entrepreneurial high technology company, as its organisational needs become more sophisticated. Managerial and professional skills are equally important.

The company has an outstanding growth record and has established a significant position in its market.

An excellent benefits package will be negotiated, including assistance with relocation expenses, where appropriate.

Please write – in confidence – with full details to Brian Woodrow ref. B.73262.

This appointment is open to men and women.

HAY-MSL Selection and Advertising Limited,
52 Grosvenor Gardens, London SW1W 0AW.

Offices in Europe, the Americas, Africa, Australasia and Asia Pacific.

HAY-MSL
MANAGEMENT SELECTION

Hoggett Bowers

Executive Search and Selection Consultants
BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE and SHEFFIELD

Financial Director Designate

High Growth Company
Humberside, to £20,000 + car + relocation

Rarely has there been an opportunity like this; equally the person we are seeking will have a rare combination of financial management skills and personal drive. The client is a multi-product manufacturing and marketing company which has established an operation employing 200+ *with a turnover in excess of £10m* within a period of less than 4 years. Its Directors are young entrepreneurs of the highest order who now seek a highly skilled executive to control their finance function and become totally involved in their growth and development plans which include acquisitions, leading ultimately to the client becoming a public company. Aged 30-40, candidates should be ACA's with line management experience in either manufacturing or marketing biased companies. Experience in consumer durables would be useful and it is imperative that you are appreciative of the broader demands of general management. The prospects are exceptional.

P.A. Adderley, Ref: 11595/FT. Male or female candidates should telephone in confidence for a Personal History Form 0532-448661, Minerva House, *East Parade, LEEDS, LS1 5RX.*

ACCOUNTANTS

Reapland Associates are long established Accountancy Recruitment Consultants for the Thames Valley area. Currently we are actively seeking applicants for the following posts:

FINANCIAL ACCOUNTANT—WILTSHIRE c. £13,000 + CAR

Our client, a subsidiary of a public company and a leading manufacturer of plastic pipes and fittings, annual t/a approaching £50m, seeks a Financial Accountant to be based at their new administration office and reporting to the Financial Director.

Responsibilities will include preparation of monthly accounts, year end consolidation of results and submission of reports to local Directors and to the parent company.

Most of their financial accounting systems are computer based. Applicants will be expected to make a constructive contribution towards maintaining and updating systems and procedures.

Applicants are sought aged preferably 25-40 with some industrial accounting experience in a managerial capacity and a sound knowledge of computer systems.

FINANCIAL ACCOUNTANT—BERKSHIRE c. £10,000

Our client, a subsidiary of a public company and a market leader in the textile industry with an annual turnover in excess of £20m, is seeking a finalist or newly qualified accountant.

Applicants may be seeking a first appointment in industry and will head a small accounts team. Responsibilities include preparation of monthly management and financial accounts and company budgets. Computer experience an advantage but not essential.

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TECHNOLOGY

EDITED BY ALAN CANE

U.S. ENTREPRENEUR AIMS TO SET UP HIS OWN BRAND OF SCIENCE PARK

Salt Lake City vision for Cambridge

BY PETER MARSH

A HIGH-TECHNOLOGY entrepreneur from Salt Lake City is considering whether to set up in Britain his own individual brand of science park.

Professor Wayne Brown, president of the Utah Innovation Center, was in Cambridge last week to evaluate the prospects of establishing in the city a project to transfer technology from ecademic establishments to the world of commerce.

In his technology-transfer formnla, Prof Brown aims to harness private capital to back commercially the ideas of workers in research establishments. Tho innovation centre in Utah, set up two years ago, has been funded with about U.S.$8m from private sources.

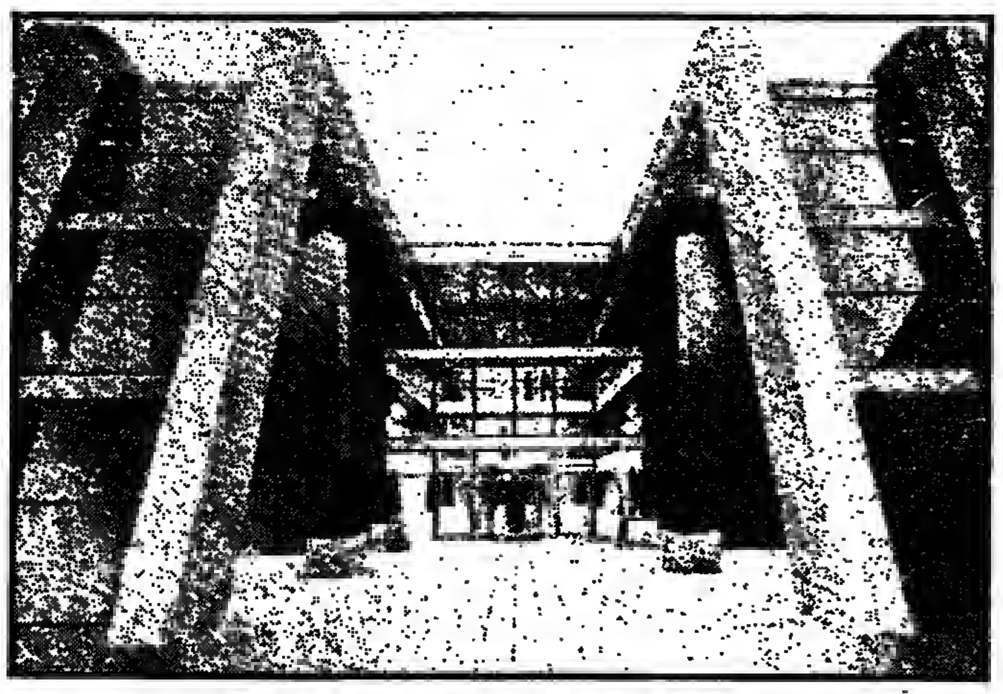
Prof Brown, a part-time member of the mechanical engineering department of Utah University, recently established a aimilar project near to the Oak Ridge Natiooal Laboratory in Tennessee. Tho laboratory, a centre for research in nuclear energy, is operated by Martin Marietta, the defence and aerospace company, on behalf of the U.S. Department of Energy.

The Utah entrepreneur has persuaded Martin Marietta to spend $1m a year on operating the new centre, which will attempt to commercialise ideas from the laboratory. Two-thirds of this cash will take the form of investments in small enterprises that evolve from research techniques, for example in instrumentation or machining technology.

In Prof Brown's recipe for innovation centres, holding companies in which he sometimes has a stake may take a share in the fledgling high-technology enterprises. The holding company also channels management advice to the small firm on matters such as marketing and accountancy.

A vital ingredient is that equity cash is transferred to the new company is small amounts. "We put in $5,000 at a time and see what happens," says Prof Brown. "It's a key difference between our styla of operation and that of venture capitalists. They would inject much greater sums into e company but they do not have the capabilities to manage a lot of small investments."

Prof Brown thinks Cambridge is the most promising site in Britain for an innovation centre along the lines of those he has set up in the U.S. This is on account of the large number of small, high-technology concerns that already operate in the area, many of them associated with the city's university.



Cambridge is already the home of a science park but Prof. Wayne Brown has his own ideas on transferring technology from university to industry

The Utah professor is also considering other sites in Britain and other European countries. He says that a "necessary but not sufficient condition" for a Utah-style innovation centre is that it must be close to a university or some other place that provides "a concentration of brain power."

Another factor is that tha technical centres must harness local business expertise, for example in legal matters or accountancy. Prof Brown would also try to find from the areas around the centres financial partners who would put up some of tha cash for investments in the new concerns.

Most science parks in Britain have been established with public funds, either from universities or local authorities. But Prof Brown thinks privata enterprise can take up the challenge of financing such ventures. This is on the grounds that companies in new areas of technology can turn out to be highly profitable.

The Utah Innovation Center, sited close to Utah University's campus, acts as landlord for about 10 companies, in areas such as medical equipment, telecommunications and products related to computers and energy management.

In one of the buildings, Prof Brown has allocated space for established "service" companies in areas such as legal work. The basis is that these enterprises will want to set up premises near the high-technology concerns so they can obtain work from the fledgling companies.

Prof Brown also employs a person virtually full-time to arrange social events such as conferences on specific subjects. This ensures a flow of ideas between the tenants of tha centre and brings to the place outsiders who may bring a fresh approach to a technical problem.

Tha professor has himself started three companies in a series of diverse technologies. The first was Kenway, established in 1964, which makes hardware for automated materials handling. Prof Brown is no longer involved in this enterprise but is still chairman of the two others.

These are Terra Tek (which tests rocks under high pressure for companies prospecting for oil or gas) and a biotechnology concern called NPI, which works on new forms of seeds that are resistant to disease.

Prof Brown is also chairman of Tran Tek, a company that has an equity stake in both the Utah and Tennessee technology centres.

He says that three criteria are important when establishing an innovation unit linked to a research institution:

- The institution must show flexibility so that, for example, research staff are free to take time off from academic duties to work in industry. "There needs to be a friendly, nurturing atmosphere."
- Banks and other financial backers must understand the special needs of high-technology enterprises.
- The efforts of an innovation centre are helped by examples in the geographical area of small, new companies that have made e success in technological parts of industry. "People have made investments and made money. They tell their friends about it and other people get going. It is very important to have a role model."

COMPUTERISING CRIME DETECTION

Police investigate Holmes potential

HOLMES could be working with the police on major crime investigations from next year. It's not the famous Victorian sleuth but a computer system now under development by the Home Office for police forces.

At least five computer companies, including Honeywell, Burroughs, International Computers Limited (ICL), ISIS Computer Services and Interlock, are known to be working on developing their own version of Holmes, which stands for Home Office Large Major Enquiry System.

Holmes may also have export potential as the Home Office believes that the system is in advance of anything available overseas. In essence, Holmes is an electronic version of the card filing system used in police incident rooms normally set up when a major crime or series of murders occurs.

The advantage of the electronic version of that every piece of information is cross-referenced automatically so that an officer seated at a terminal can identify people who crop up several times throughout the investigations; every piece of data about an interviewed or suspected person is available and the system can avoid unnecessary duplication.

A computer system can store the amount of information in 10,000 records that a manual system would reqnire 40,000 indexed cards to do.

The first Holmes system should ba ready by next year. Police forces can opt to run the system on varying sizes of computers from microcomputers upwards or to use their existing computer systems. Cost for personal computer versions start at £30,000 going up to £350,000 for a large computer system. At least five large metropolitan police forces bave their own large computer systems for criminal information.

Holmes will be the first system which will provide national standards for information storage and retrival during a major investigation. There are several other systems in existence which the Home Office sees as stop gaps until the Holmes is available. One is called the Autoindex system which can run on a variety of microcomputers. After the Ripper murders, a system called MICA was developed by ISIS Computer Services in collaboration with the West Yerkshire Metropolitan Police. This system was considered too expensive as a national system but acceptable until Holmes was available.

Before specifying the Holmes system, the Home Office sponsored a project called Miriam which was until recently on trial with the Essex Police force. This system based on Honeywell computers was used for real and simulated incidents to identify the needs of a future computer network.

ELAINE WILLIAMS

TRAINING IN MICROCOMPUTERS

Failure to keep up to date

COMPANIES are failing dismally to train their management and clerical employees in the proper use of microcomputers, according to Ferrin, a computer services company that has bases in London and San Francisco.

The company says that enterprises that buy computers for their staffs commonly fail to realise the time and effort required to school people in the applications of the machines. "The training that people get is generally pretty appalling," says David Ferris, managing director of Ferrin.

Students require between 20 and 1,000 hours tolearn how to use a computer program, for example a spreadsheet (accountancy) or database package.

Assuming the cost to an employer of onehour of the average member of staff's time is £20, this translates into learning costs of £400 to £2,000 per student.

To this must be added the costs of other people who support learners in their efforts to come to grips with computers. Such people are in-house computer specialists and external consultants. With these extras, total costs are put at £500 to £3,000 per student.

The most useful training, says Ferrin, comprises teaching by an instructor as opposed to the use of videotape or books. Big companies should set up their own in-house training programmes, advises the training enterprise.

Eventually, Ferrin expects that people will be able to have lessons on how to use a computer from a computer itself. This will be as a result of advances in computer-aided learning programs.

Offshore

Bicycle repairs for ships

DIVERS may soon apply to tho hulls of damaged ships the repair principles developed over decades by cycling enthusiasts.

Researchers at tho Battelle Institute's laboratories in Richland, Washington, have produced a set of adhesive pads with which divers can patch the underwater parts of shipwrecks. These people would stick on the material in operations similar to those with which the inner tubes of bicycle tyres are repaired.

In conventional salvage operations, divers must weld metal plates over the damaged segment of the hull. The process is long-winded and expensive.

Battelle suggests that the new pads could be applied underwater from a two-man submersible. Tho plastic patch is fabricated above the surface of the water and installed with explosively driven steel studs or electromagnets.

While such mechanisms drive the pad against the hull, a hot liquid cement is formed which seals the reinforced sheet to the structure of the ship.

When all the holes in the vessel are sealed in this manner, air is pumped into the ship so it can be floated to the surface.

According to Battelle, the adhesive system could be applied to cracks in dams. It could also make emergency repairs in pipelines or farm seals in equipment in space. The inventor was Paul Koehmstedt of Battelle's materials department.

Computers

Ericsson's micro

ERICSSON Information Systems now has an IBM compatible personal office computer which is based in the Intel 8088 microprocessor. Both monochrome and colour monitors are available with the machines and comes in a range of memory sizes. More details from the company on 01-637 8481.

Communications

Local area networks

GENERAL ELECTRIC of the U.S. and Ungermann-Bass have signed a letter of intent to form an independent joint venture company to develop, manufacture and market local area networking (LAN) communications systems for the industrial market.

The aim of the new company is to become "the leading supplier" of communications products that will interconnect all industrial automation equipment and other computer-based devices such as computer-aided design systems, in an industrial environment, regardless of brand.

Sales will be to original equipment makers (OEMs). All the products will be compatible with Ungermann-Bass's general purpose LAN and will meet General Motors and IEEE 802.4 standards. Many industrial equipment makers have indicated they support the IEEE token bus standard, including IBM, Hewlett Packard and Digital Equipment.

Machine tools

Screw setting

DUO-FAST (UK) of Milton Keynes has launched an extended range of auto-feed screwdriver systems.

Through the automation of screw-setting and driving, the systems reduce operator times and eliminate screw waste, so increasing productivity levels.

Each system uses an electric or pneumatic screwdriver to which is attached a canister holding up to 150 screws. The screws are automatically delivered to the Pozidrive bit ready for driving. Each subsequent screw is automatically delivered and set by means of a plastic tape, ensuring that no screws are accidentally lost.

The tools, known as Screw-Fast, allow up to 50 screws per minute to be delivered. More on 0908 566647.

THE ARTS

Annie Fischer/Elizabeth Hall

Max Loppert

On three successive Tuesdays this month, Annie Fischer gives three South Bank Beethoven sonata concerts; the sum is not quite a sonata cycle, which would bave been even more welcome, but at least it is the most substantial showing of the planist's Beethovenian powers that we have had here for some years.

At the first of them Miss Fischer, 70 earlier this year, was in her most glorious form. The recital was one of those occasions, rare and precious, which returned the listener to direct, unfettered contact with the sonatas themselves. There *was no lack* of *"personality"*—there never is in tbis artist's playing. But it is a quality intended to facilitate fresh and vivid communication between composer and audience; it bas *nothing of* the aura of a performer's personality cult. When Rudolf Serkin and Annie Fischer play for us, as they have done on successive nights this week, one is reminded of a *world of music-making high* above what might be called (in crude summary) that of the Pogoreliches and the Sinopolis: and one is the better for the reminder.

The programme balanced three early sonatas against a concluding *Waldstein*, a most shapely, natural, and well-balanced succession. Miss Fischer opened with the E flat, *Op 7; fingers were not yet quite* fluent in the opening, and stumbles were plentiful, bnt soon *the playing came into* focus (and thereafter there were far fewer of those mishaps into which Miss Fischer's burning quest for adventure sometimes leads her. The gift of being at once piercingly simple and unaffected, and at the same time urgently forceful, is nne that procleims the natural Beethoven player; it was beautifully evident in the E flat Rondo, in all of the following F minor, Op 2 no 1, and then in a wonderfully light and fanciful account, elusive and clarion-clear by turns, of the G major, Op 14 no 2, after the interval.

But the *Waldstein* crowned the occasion, as one always hopes it will. Another of Miss Fischer's great Beethovenian gifts is that of imbuing accompanying figuration with bubbling energy; the vistas of the sonata were rendered newly wide and surprising as much in supporting detail as in the shaping of the main themes. In the finale, Beethoven's pedal instructions were not followed to the letter, and that was a pity; but the imaginative perceptions of the text were *wonderfully faithful*, and that counts for quite as mnch. The hall was not full—how often, alas, does the Fischer reviewer write that sentence?—but et least it was properly appreciative.

Baron Thyssen-Bornemisza, the greatest contemporary private collector of works of art, has chosen 114 pictures from his collection of modern masters for an exhibition at the Royal Academy, opening tomorrow and closing on December 19. It is sponsored by Mobil. It is a marvellous display, ranging from Impressionism through to New York abstract expressionism, and including major works by Renoir, Gauguin, Pissarro, Van Gogh, Ernst, Kanfinsky, Dali, Bacon, Balthus, Rauschenberg, and many more. In all seventy eight of the leading artists of the past century are on show. Our picture shows the Baron, with Sir Hugh Casson, president of the Royal Academy, and Picasso's "Arlequin au miroir." The show makes a marvellous foil to the Academy's other major current exhibition, of Dutch genre paintings of the 17th century, which is proving a great success.

Record Review/Antony Thorncroft

Bowie in second gear

David Bowie must be arguably the most successful performing ertist in the western world—commercially successfnl, artistically successful, and with e popularity which never seems to go out of fashion. With his cool, stylish, elusive image he has somehow managed to establish trends for around 15 yeers and every album he releases gets tbe minute examioation once reserved for tbe Beatles oeuvre.

Tonight (EMI), just out, follows quickly on the heels of "*Let's dance*" and while it is unlikely to spawn the tbree hit singles from that upbeat compilation it is interestiog enough to reinforce the Bowie legend. It really must be hard for such a rich man, leading such a privileged and global life, to tune into ideas which have any relevence for his followers. *Tonight* shows some of the strain, with a fair amount of pastiche of other artists and styles—the reggae rip off in "Don't look down"; a P. J. Proby impersonation in a cover version of the Beach Boys "God only knows"; a lively New York disco bash in "Neighbourhood Threat," one of three songs co-written with Iggy Pop.

There is also the inevitable pretension, but Bowie carries this off ratber well, especially in "Loving the Alien," an elliptical song which sees Palestine as a place of continual warfare, going back to the Crusades, but also of holiness: "Believing the strangest things, loving the Alien." The music may not match the lyrics, but then that is a constant Bowie tease, covering intelligent words with accessible even facile melodies. The making of a significant point is less successfully handled in "Tumble and twirl": his experiences of Borneo, and its culture-clash, seems like e traveller's tale rather than a genuine experience.

There are love songs, "Blue Jean," and another cover version, of Leiber and Stoller's "I keep forgettin," and all in all there is something for everyone in an upbeat and cheerful album if, by the end, nothing of very great import. But it is good to have Bowie busy and still interested in pop—he might so easily have given it up for Hamlet by now.

Bowie used to work with Eno and now this most influential producer has co-operated with Irish band U2 on *The Unforgettable Fire* (Island). U2 came across with considerable force e couple of years ago and a period of silence bas given birth to another powerful and not too didactic album. U2 deals with big themes but have the conviction to carry them through. Such seriousness appeals to modern youth end the intensity on this album will ensure o deserved success. There are the Irish pipes somewhere behind the fierce guitars and the voice of singer Bono manages to recreate the vibrant on stage atmosphere on record. U2 make ranting acceptable, even moving.

Paris Theatre/ Nicholas Powell

Chabrol takes to the stage

Film-maker Clende Chabrol has set aside his cameras to produce Strindberg's *Dance of Death* at the Theatre de l'Atelier. The play is all the more of an event as Peris's theatrical "rentrée" gets beletedly under way because of the presence of one of France's greatest character actors, Michel Bonquet, in the role of the Captain.

This combination of talents has produced powerful, chilling theatre, with just e hint of French exuberance taking the cutting edge off some of Strindberg's crueller lines. The dusty neglected furniture and stone arches of Jacques Noel's cold grey set compress the characters into a confined space admirably suited to the emotional cannibalism of the play.

During the opening scenes Michel Bouquet appeared to have created an eccentric, irascible Captain, rather than the whiskey-sodden tyrant one expects. But Bouquet skilfully builds up the emotional violence slowly, while Alice's responsibility for their mutual hatred begins to pierce through her hysterical facade of respectable martyrdom. Henri Garcin puts in an admirably controlled performance as Kurt, subtly amplifying the conflict between the two main protagonists.

Juliette Carré as Alice is the weakest corner of this theatrical triangle. She fails at times to deliver with the requisite cold restraint and was received by the audience, elready nervous at so much Nordic intensity, as comic at the wrong moments.

The Comedie Française bave opened their season with a new production of Molière's "Le Misaothrope," written wben the playwright was struggling with financial and emotional difficulties. One of these was the jealousy provoked by his wife Armande's infatuetion with the glamorous society of Louis XIV's court. "Le Misanthrope" is not a light-hearted piece and Comedie Française director, Jean-Pierre Vincent, who produces it, has opted for a tone which bovers uncomfortably between the tragic and the comic.

Michel Aumont as Alceste (the role originally performed by Molière) who so hates the ertificiality of the court and so longs for impossibly "truthful" relationships that he decides to abandon society altogether, gives the character too many of the comic mannerisms he bas brought to previous roles. Thus Alceste is immediately risible before the full comic absurdity of his views is brought home by the text and action of the play itself.

Ludmila Mikael as his flirtatious, society loving wife Celimeoe (originally performed by Molière's wife) puts in a superbly rich performance which combines youthful pleyfulness verging oo inoocence with a masterful capacity for salacious gossip. Celimene plays the courtly game so well that she eventually gets hanged with her own social rope, the consequeoces of ber own teasing behaviour. As Jean-Jacques Rousseau was the first to observe, Molière's genius resides not in the fact thet Alceste is in love, but that be edores a "coquette."

Despite first rete performances by Simon Eine as Philinte, Alceste's long suffering commonsense friends, and Genevieve Casile as the whining, bitchy Arsinoe, this "Misanthrope" fails to convince.

The huge, blank front flaps of the set restrict action to a small rectangular space front stage. The two Marquis courting Celimene fail to express the necessary combination of foolishness and real desire. But worse of all, one never believes that Michel Aumont's Alceste is in love with Celimene, or vice versa. And that fault breaks the back of the play.

The Beaux Stratagem/Arts, Cambridge

Michael Coveney

My last *Beaux Stratogem* came out of Oxford. The Cambridge reply is a distinct improvement oo that 1978 production, a cheerful bright, robustly performed and not too exceptional version directed by Bill Pryde for the Cambridge Theatre Company.

It is indeed eocouraging that the CTC maintains its solid standards across the years and presents its work in designs as neat and efficient as tbose of Poppy Mitchell. The sleepy Lishfield world of Boniface's inn and Lady Bountiful's bouse is evoked by an arrangement of sliding brown panelled doors aod walls, yielding a prospect of countryside (a little too "landscaped" perhaps), dozing cows and placid lakes.

Ian Gelder and Susan Brown

The social world of this marvellous comedy is tight. Lady B's son is an oafish drunken squire whose wife, Mrs Sullen, and sister, Dorinda, are aroused by the arrival in town of two aristocretic fortune hunters, Aimwell and Archer. The French garrison is represented by an imposter priest (and Captain Bellair, here cut with the loss of only one moderately funny scene); the wars ebroad e constant background hum.

Archer and Mrs Sullen are the best roles, and they are very well taken by Ian Gelder and Susan Brown. Mrs Sullen's marital boredom—"And must tbe felr apartment of *my* breast be made a stable for a brute to lie *in*?"—is given eloquent, emotional expresion by Miss Brown who never leaves you io doubt as to her capacity for enjoyment, sexual or philosophical.

Mr Gelder responds to this with tact and confidence, so that we in fact see the maturation of a relationship topped by that extraordinary litanical divorce ceremony. This Archer can also sing, make light of the character's embarrassing penchant for wooing then warbling.

There is a little too much slap and tickle among the lower orders. This sort of carry-on was, I tbought, outlawed from the British stege by William Gaskill's work in Restoration comedy. Still, Susanna Bishop and Charlotte Attenborough are pleasingly pert wenches, Ken Morley a manically hilerious French priest of Kilkenny origins, Michael Hadley a staunchly attractive Aimwell, Douglas Hodge an energetic servant, and Tessa Peake-Jones an inventive, bright-eyed Dorinda.

The production is et the Arts until Octnber 20 before moving on to the Warwicb Arts Centre for one week. Also this autumn the CTC offers Sylvia Syms in *The Vortex* and a Vince Foxall re-wrile of *Wuthering Heights*, travelling from Harlow to Buxton, Brighton to Bury St Edmunds. The work will probably not change your life, but it will give good value.

Royal Philharmonic/Festival Hall

David Murray

Geoffrey Burgon's new fantasy for orchestra, *The World Again*, requires a soprano voice for its concluding setting of T. L. Beddoes, which makes explicit its programme: the regenerative power of dreaming. The work is a rondo in which the ritornello—always scored with Burgon's characteristic sonorous delicacy—represents sleep, and the episodes dreams. The shadow of Britten hovers near, benevolently enough.

The smooth ritornello plays its role very effectively. The dream-episodes, though cunningly related to the main material, betray a hand-me-down character under their ochestral tints—perhaps Burgon's high professionalism in theatre and television music lets him slip too easily into dressing np conventional ideas. (Britten's express nightmare-pieces too are never so disturbing as the ones with innocent surfaces.) Not mnch development was to be felt; but the serene soprano ... rounded ... with grace.

It was sung at very short notice by Jane Manning (Elise Ross had fallen suddenly ill) with an easy conviction that belied the fact. The "Pie Jesu" solo in Fauré's *Requiem* went to her as well, and it was pleasing to hear good stylistic sense compensating for a vocale timbre rather different from the boy soprano that Fauré had in mind. In the "Hostias" and the "Libera me" David Wilson-Johnson preserved e strong expressive line with a touch more passionate vibrato than the music invites.

By and large this *Requiem* was a model of Fauré style, for which the conductor Andrew Litton has an evident sympathy. He led an extremely satisfying performance, unafraid of taking brisk, unsentimental tempi and of allowing the few moments when the music raises its voice to make bold effects. With the Brighton Festival Chorus in excellent form (the soprano's exposed entry on "Lux aeterna" was pure and lovely), the long legato phrases were carried tenderly and evenly, without wilting and without extraneous "expression."

Between Burgon and Fauré the lullaby-atmosphere was suspended for Poulenc's two-piano Concerto, delivered with spirit by the Pekinels, the beautiful Turkish twins. Litton set manic speeds, perfectly apt, for the outer movements. The Pekinels were bright and brittle—the music sounded more outrageously episodic than it needs to (it *is*, but half its charm lies in the mock-natural sequence), and they pulled the mock-Mozart Larghetto about instead of playing it like Mozart. Some notes in some tunes were oddly swallowed: unreliable articulation. But it was all engagingly lively—I suspect the Labèque sisters heve roused a competitive energy in the Pekinels.

She Stoops to Conquer/Redgrave, Farnham

Martin Hoyle

The Redgrave Theatre'e production of *The Mistokes of n Night*, under its resident director Stephen Barry, is one of a current rasb of Goldsmiths culminating in the National's version, now touring en route to the South Bank.

Someone somewhere likes the work even if the young woman from Stage Management dismissed it as "a barely adequate play" to a captive audience at Farnham Station after the show.

Martin Tilley's set has e lightness of toucb that would be welcome elsewhere. A skeletal staircase leads to a gallery; curtains deplct cartoon-like panelling and portraits reminiscent of Osbert Lancaster's irreverent view of antiquity. The revolve gives us the inn with similarly printed shelves, bird-cage and mounted fish.

The straightforward production is free from gimmicks—apart from siting the often resorted to "next room" all the way upstairs—which places a fair responsibility on the actors. What emerges is not a great English comedy of manners (or leck of them) sparked off hy an unthinkable confusion of clesses and still believable upper-class sexual reticeoce, but a contrived pantomime played with little conviction or faith.

Chief offenders are the Lumpkinses, *mère et fils*. Patricia Samuels is admittedly toq young for the second Mrs Hardcastle's bedizened simpering; even so her sole attempt at cberacterisation is an excruciating Mummerset accent (Mike Shannon's well-spoken Mr H. evidently married far beneath him). She flounces through the play like an Ugly Sister in the wrong theatre. It seems to have occurred to nobody that the character is more than a bundle of external mannerisms. Paul Benzing's Tony is joyless: never have I seen such mirthless bucolic mischief-making—though he nearly redeems himself with e giddy side-saddle slide down the bannisters.

Kazia Pelka's face is so right—a Romney for freshly robust sweetness, a Lawrence for shrewd self-possession—that her as yet unstylish delivery stands out; but bere is the germ of e real Kate whose common sense aod humour identify ber as a Jane Austen heroine before her time.

Remains Robin Kermode's Marlow. Infuriatingly, since he is capable of the right style, his casually throwaway approach leads to gabble. The shruggiogly off-hand realisation of his monstrous blunder in a rigidly formalised society deprives the cross-purposes joke of its whole point, and makes Kate's belief in his innate worth inexplicable.

Half a dozen lines from a waxen-faced drunk of an Irish servant bring a breath of authentic Hogarthian balitosis to an otherwise inexorably bland two hours.

English Dance Theatre/The Place

Clement Crisp

There was an air of artistic schizophrenie about the opening programme shown by the Englisb Dance Theatre on Tuesday nigbt as part of the Dance Umbrella season. Tbe first half of the evening offered three dim dance numbers; after the interval this small Newcastle-based troupe provided some high-baked Grand Guignol about a Vietnam war veteran that looked like super-Hyde to the winsome Jekyll of the opening section.

We began with Yeir Verdi's *Solare* which, if imitation is the sincerest form of flattery, is a fulsome tribute to Paul Taylor as six dancers circled end tripped to movements from Handel *concerti grossi*. Shades of *Aureole*, but none of that lightness—physical as well as spiritual—which gives Taylor's choreography and casts their radiance. The following *En dolor* is by the American dancer Ethel Winter, and it finds the admirable Stella Mae trapped in arbitarary emotion as a bereaved mother while Candelas' dance from *El omor brujo* is played, the music incompatible with the emotions supposedly on view. About Nicholas Burge's *. . . is o rose*, I cao but report thet it is a leaden caper about *Le Spectre de la rose* involving two tap-dancing chaps in pink suiting and a sleepy girl, which I found desperately nnfunny.

The second part of the evening was devoted to *Golden Geiger Days* by David Gless. It is a mime-drama much over-*egged* as to its neuroses: war veteran returns from Vietnam in a state of shock to bis wife and autistic child, who obligingly produces poltergeist phenomene of Vietnamese victims and brutish soldiers. The drama ends with the father shooting the child and then committing suicide. For all its hectoring political stance—and one, surely, rather remote for British audiences—the piece is imaginatively designed by Tim Dodd with a grim functionalism, and ected to the hilt (end beyond) by Julie Hood, giving a piteous impersonation of the helpless child, and by Stella Mae and Gary Nichols as her perents. It is blatant theatre with minimal dance, but its mood of unrelieved *angst* is well sustained, and played—such being the requirements of naif poster-art—with commendable clerity of means by its cast.

Saleroom/Antony Thorncroft

The most important sale of ancient coins ever handled by Christie's realised £1,278,347 et its King Street auction room on Tuesday night, a record for a sale of coins in the UK. Seven per cent were bought in and the total was actually below the pre-auction estimate of £1.5m.

The coins came from a Swiss collection and were mainly acquired in the eerly decades of this century. Although most were gold the top price, £70,200, was paid for a silver coin, the very rare tetradrachm, minted in Askelon and bearing the portrait of Cleopatra (51-30 BC). It could be the best surviving likeness of this notorious queen.

Greek coins did much better than Roman, probably because of their more limited numbers and the opportunities they offer to collectors of getting e complete series. Even eo e gold medallion of Gallienus (AD 253-268) made £64,800 and an anreus of Clodus Albinus (AD 193-197), £48,600.

A coin of Feusta, second wife of Constantine I, of which only five are known, was bought by the Bank Leu, the Zurich coin auction house, for £37,800, while an aureus of Laelian (AD 268) and a dekadrachm of Ptolomy III each sold for £34,560.

Arts Guide

Music/Monday. Opera and Ballet/Tuesday. Theatre/Wednesday. Exhibitions/Thursday. A selective guide to all the Arts appears each Friday.

Oct 5–11

Exhibitions

TOKYO

Price Collection of Japanese prints: One of the most interesting collections of 17th and 18th century prints, the sum of instinctive good taste by an enigmatic collector, Suntory Art Museum, near New Otani Hotel. Ends Nov 4.

New German Expressionists. From the Ludwig collection, 40 works from between 1964-83 by such artists as Jorg Immerdorff, Raphael Fetting, Markus Lupertz, Anselm Kiefer. Hara Museum of Contemporary Art. Ends Oct 14.

Masterpieces from the Vienna Art Museum, especially 17th century Dutch genre paintings. Well-known works by Velasquez, Jan Steen, Franz Hals, Rembrandt, Canaletto in e large and well-installed exhibition. National Museum of Western Art. Ends Nov 4.

Francis Picabia: 91 works (oil paintings, watercolours, gouache, collage) covering the period between 1906 and 1951 by this leading Dadaist renowned for his many different styles, Seibu Museum of Modern Art (Seibu Department Store, Ikebukuro). A series of silent films by Dadaists (including Picabia, Man Ray, Regie) is being shown at studio 200 (same store) in conjunction with the exhibition.

NEW YORK

Metropolitan Museum of Art: Te Maori begins its U.S. tour showing the native treasures of New Zealand, with a rich Polynesian heritage of stone and ivory ornaments, bone and stone weapons and wood carving. Ends Jan 6.

Whitney Museum: Along with an exhibit of 200 acquisitions in the print department over the past decade, the museum has eight programmes of 50 films by independent film makers in their early days from 1958 to 1964, including classics like Scorpio Rising and The Connection. Ends Oct 17. (570 3676).

Museum of Contemporary Art: Hockney Paints the Stage includes 250 renderings and models of the artist's sets for Rake's Progress, The Magic Flute and the Metropolitan Opera's triple production of Poulenc, Ravel and Satie called Parade. Ends Nov 11.

Museum of Modern Art: After being virtually closed for three years of renovation, the museum has a chance to show the depth and breadth of its considerable collection. No longer is it a boutique of the modern classics but more like a department store, with double its previous exhibition space and room for such examples of modern design as e whole helicopter.

CHICAGO

Art Institute: 20th-century drawings from the superb permanent collection including works by Gris, Beckmann, Mondrian, Miró, Matisse, Moore and Picasso. Ends Nov 11.

WEST GERMANY

Cologne, Kunsthalle, Josef-Haubrich-Hof: Sigmar Polke, the German artist living in Cologne shows 100 paintings and drawings as well as some new works. Ends Oct 14.

Hildesheim, Roemer- und Pelizaeus-Museum, 1-2 Am Steine: Max Klinger (1857 to 1920), the painter and sculptor born in Leipzig, has been celebrated as East Germany's answer to Albrecht Dürer. This image is revised here – to lead to a more differentiated view of the artist – with the help of an exhibition comprising more than 300 of his works on loan from the German Democratic Republic, The Federal Republic and Austria. Ends November 4.

Karlsruhe, Badisches Landesmuseum, Schloss: Portraits on Glass and China has 200 glasses, jugs and cups with depictions of princes, commoners and artists from between 1710 and 1930. Ends Oct. 14.

Düsseldorf, Tonhalle, 4 Ehrenhof: Americans in Glass, is for the first time in West Germany, with mostly abstract works on and with glass by contemporary U.S. artists. Ends Oct 28.

Hanover, Forum des Landesmuseums, 8 Am Markte: A big retrospective, comprising 185 paintings, watercolours and drawings, highlights the oeuvre of Ludwig Richter (1803 to 1884), the German landscape and genre painter. Ends Nov 24.

Bonn, Rheinische Landesmuseum, 14–16 Colmantstrasse: 150 photographs by Julia Margaret Cameron (1815 to 1879), the British portrait photographer. Ends Nov 4.

LONDON

The Royal Academy: The Age of Vermeer & de Hooch – the final showing of the splendid exhibition already seen in Philadelphia and Berlin of Dutch genre painting of the 17th century. The major figures, Vermeer, de Hooch and ter Borch, with Steen, Dou and Metsu not far behind, naturally dominate the show. The final room, given over largely to the big three, is worth a visit in itself. The show is full of surprises and unlooked-for treats from the lesser figures, and demonstrates *too that "genre" is no narrow and* exact category, but one that embraces as much variety of interest and technique as does the everyday which it so affectingly describes. (until November 18).

National Gallery: The Golden Age of Danish Painting – A small and thoroughly delightful exhibition which brings to Londoo effectively for the first time the work of the Danish School of the early 19th century. The works are portraits – somewhat neo-classical in manner, but in manner only – and charmingly personal and domestic. There is also landscape and topographical observation of an almost photographic immediacy and clarity. Kobke and Eckersberg are the major artists. (until November 20).

PARIS

Musée de l'Orangerie. The Jean Walter and Paul Guillaume collections are now permanently exhibited in the newly restored Orangerie museum – the pendant to the Jeu de Paume. The museum houses 144 works from Impressionism to the 1930 period. Renoir is richly represented with 24 of his paintings – among them the well-known Young Girls at the Piano, Cezanne with 14 paintings, Matisse with 11. The public will be delighted to be able to view again Douanier Rousseau's Wedding Party and The Cart, Picasso's Women Bathing and other favourites. Musée de l'Orangerie, Metro Concorde, 9.45am – 5.15pm, closed Tue (265 9940).

Marmottan's Monets: For lovers of impressionism, the Musée Marmottan is a must. A charming town house set in greenery, it houses an important collection of paintings and drawings by Claude Monet and his friends, including the famous oil, *Impression-Sunrise, which gave its* name to the whole movement. Monet's love of London is represented by the Houses of Parliament. In the last 20 years of Monet's life his garden in Giverny became his great inspiration. *In glowing colours and* changing light he painted its Japanese bridge and weeping willows and, above all, time and again the unforgettable Nympheas – waterlilies on still green waters. Musée Marmottan, 2 Rue Louis-Boilly, 16th Arrondissement. Closed Mon. (224 0702).

Le Douanier Rousseau: Extraordinary tropical vegetation with exotic flowers, gently poetic images of Paris and its surroundings, dignified portraits of himself and his friends fill Douanier Rousseau's canvases. Self-taught, appreciated by Apollinaire yet cruelly mocked by others, he found an escape from the daily humdrum existence in the dream world of his paintings. Grand Palais, 10am-8pm, Wed till 10pm, closed Tue. Ends Jan 7. (260 3926).

Retrospective of Picasso's engravings – 128 plates of the most exceptional quality are grouped in cycles. The complete series of Saltimbanques of Minotauromachie, dating from 1935, of Ovide's Metamorphoses is followed by his last years' work showing Spanish inspiration, Musée des Arts Decoratifs, from 12am till 6pm. Closed Mon, Ends Oct 29. (260 3214).

BRUSSELS

Brussels Parks and Gardens: Drawings, paintings, prints and maps of a fast-vanishing Brussels. The gardens of the Kings House as seen by Dürer in 1520. Fountains, grottoes, pagodas and follies of the private gardens such as Monplaisir, now Schaerbeek Railway Station, and the various views of existing geometrical (and some say Masonic) Royal Park, Banque Brussels Lambert, Place Royale. Ends Oct 30. Guided Tours (517 2877).

The Age of Stonehenge presented by the British Council in collaboration with the British Museum and the City of Tournai. Covering the Late Neolithic and Early Bronze Age (3000-1500BC) the exhibition includes the mold gold cape, the Folkton decorated chalk drums, gold from early bronze age Wessex and the Rillaton gold cup loaned by Britain's Queen. Comparative material has also been loaned by France, Germany, the Netherlands and Switzerland. Grande Place, Tournai, ends Oct 16. (169/22 2045).

NETHERLANDS

Amsterdam Historical Museum. Dutch sculptors at work in their studios sensitively photographed by Louise van der Veen. Ends Dec 2.

Amsterdam, Allard Pierson Museum: *Similar But Different*, an exhibition marking the archaeological museum's 50th anniversary, is devoted to daily life in Egypt, from 3500 BC to 600 AD. Not grandeur, then, but domesticity, as the visitor is led *through a series of small rooms* (one a re-creation of an Egyptian interior) displaying everyday objects, delicate faience work, jewellery and religious artefacts. Richly illustrated catalogue. Ends Jan 1985. Concurrently, on the *top floor*, a remarkable display of the earliest photographs (1839-1860) of the monuments lining the Nile.

Amsterdam, Rijksmuseum. In this anniversary year of the death of William the Silent (1584) yet another exhibition devoted to the birth of the Dutch republic. Paintings, prints, drawings and manuscripts illustrate the ideals of religious toleration and political freedom that precipitated the 80 years' struggle with Spain. Ends Dec 9.

ITALY

Venice: Museo d'Arte Moderna di ca'Pesaro Egon Schiele: 1890–1918. Almost all works of this extraordinary painter. This exhibition was at the Campidoglio in Rome earlier this summer. Ends Nov 25. Open from *10.00am to 7.00pm (closed* Monday).

Venice: Palazzo Ducale: The Treasures of the Pharaohs – e rich and fascinating exhibition of more than 60 works (lent by the Cairo Museum) – covering over 3000 years, and containing an enormous variety of objects from mundane things such as *combs and cooking pots to the* contents of Tutankhamun's tomb. Until End of December.

Rome: Palazzo delle Esposizioni (Via Milano entrance): American Graffiti (Frontier Art) *comes as a surprise to* the average Italian whose idea of graffiti is limited to the hammer and sickle or Viva Il Papa variety. The luminous pink figures racing over the august façade of the huge *neo-classical building* that houses the exhibition give you an idea of what is going on inside. Most of the wall paintings bave been redone for the occasion, and, vivid and entertaining as they are, it would have been more fun to have had photographs of the originals in situ on the walls and subway trains of the Lower East Side or South Bronx. Particularly compelling are John Ahearn's extraordinarily life-like reliefs: black children dressed in brightly coloured sneakers and shorts, who seem to have just jumped ioto the air and been pinned to the brick walls by some inexplicable force. Closed Mon. Ends Oct 21.

Venice: Palazzo Fortuny: Photographs by the magnificent Helmut Newton, famous for his elegant and provocative oudes – from his early fashion plates of the 1960s to the recent studies of well-known actresses. Until Oct 21.

FINANCIAL TIMES
BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY
Telegrams: Finantimo, London PS4. Telex: 8954871
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Thursday October 11 1984

A compromise for the City

THE GOVERNMENT seems set to test the potential of self-regulation to the limit when it launches its proposals for the new framework of investor protection. The plans are to be outlined next week, ahead of publication of a detailed White Paper at the end of November.

For many months Mr Norman Tebbit and his colleague at the Department of Trade and Industry, Mr Alex Fletcher, have been mulling over the Government's approach. The starting point was the report on investor protection by Prof Jim Gower, a study prompted by a series of investment scandals. But that analysis has required some modification in the light of dramatic changes in the structure of the securities markets.

In the end, all the schemes put forward by Prof Gower and others for anything between four and 20 self-regulatory agencies (SRAs), controlled by a central supervisory body which might or might not have approximated to a full-blown securities commission, have been rejected. Instead, the Government will propose the formation of just two omnibus SRAs, with some degree of statutory backing.

One body will be devoted to the regulation of the financial markets, including the Stock Exchange and the commodities markets. The other SRA will cover a range of pooled investment services including life assurance and unit trusts.

Throughout the debate on regulation, one consistent theme has concerned the balance of power between the various SRAs and the central body, whether inside or separate from the DTI. If there were a large number of SRAs they would be individually coherent but would need to be whipped into line by a strong supervisory body. A smaller number of SRAs would create problems of control and consistency, but there would be a lesser role for a central regulator.

The Government's proposals, it seems, will carry this argument unexpectedly far. If there are to be only two SRAs there is no need for a central body at all. Residual control can be exercised directly by the Secretary of State, who in any structure would carry the ultimate responsibility. But far from this being a neat solution it simply raises the further question of why Mr Tebbit has not gone the whole hog and proposed a single commission.

Many different lines can be drawn between the City's activities, but those lines are becoming increasingly blurred. And there is no obvious single line that divides the financial markets neatly into two.

So far as it goes, a justification for treating the likes of life offices and unit trusts separately could be that they are already closely controlled under statutes executed through the Department of Trade. But there is a residual need for self-regulation to cover questions like commission levels and selling techniques. Elsewhere markets like the Stock Exchange are little constrained by the law, so there is a more pervading requirement for strong self-regulation.

In practice the memberships of the two agencies will overlap considerably. There is going to be uncertainty about their ability to work harmoniously together without on the one hand treading on each others' toes and on the other leaving unregulated gaps.

Halfway house

Moreover they will both have diverse memberships and will need quite large executive teams in order to supervise and co-ordinate extensive areas of coverage. It is hard to see how they could be successful unless they were given statutory authority to exercise powerful sanctions including the right to withhold or withdraw membership.

The proposed halfway house will be more acceptable to the City than a full statutory commission. Although opposition to such a statutory body has perceptibly softened in the Square Mile in the past year or two, the Bank of England has maintained the line that, at the very least, there should be a strong element of self-regulation within any statutory framework.

Despite these arguments and the political convenience of what the Government appears to have in mind, there are serious practical disadvantages in Mr Tebbit's compromise. In order to cope with the increasingly integrated nature of the financial markets and the emergence of powerful global conglomerates, a single agency with statutory authority is necessary.

Central planning on the wane

THE TIDE for reform in the way that Communist countries order their economies in running a little faster, with the news that China intends to decentralise the management of the urban part of its vast economy.

It is too early to judge the exact scope of China's reforms, to be unveiled more fully later this month, but its stated intention to drop at least some mandatory output targes, decontrol some prices, cut some subsidies and give some managers more autonomy, will bang a major dent into the already-discredited concept of detailed central planning as still practised in much of the Communist world.

The Chinese changes will be most closely watched in the Soviet bloc, where the Soviet Union deveolped the world's first fully-fledged "command economy" under Stalin in the early 1930s and then gave the model wider currency by imposing it on Eastern Europe after World War II. Since then Soviet bloc countries have made recurrent efforts—some marginal, a few major—to reform the Stalinist model. The extent to which some, like Hungary, have succeeded is clearly a spur to China; the degree to which others, notably the Soviet Union, has so far failed should be an instructive lesson.

The issue in the Communist world is not the currently fashionable one in the West of "privatisation." There is an ideological consensus in most Communist countries that the privately-owned sector should remain dwarfed by the public (except, for reasons of history and the Catholic church, in Polish farming). There is less consensus about efforts, notably by Hungary in the Soviet bloc and now by China, to release the entrepreneurial energies of individuals by allowing them to run, though not own, small businesses—but considerably wider agreement on the need to devolve more decision-making powers on managers in the huge state sectors. Only Yugoslavia, however, combines almost total public ownership with political and economic self-management by regions and factories that sometimes borders on the anarchic.

Indeed heretical Yugoslavia is, for leaders of other communist states, a reminder that economic control spells political control. How to reduce the former and retain the latter is the challenge for the Soviet bloc and Chinese leaderships. Many of them still tend to regard any voluntary economic activity, outside the centrally-ordained plan, as somehow politically subversive—which is another way of saying they do not like what they cannot directly control.

Their dilemma is sharpened by the knowledge that detailed central planning is quite outmoded in the 1980s. Central planning works when a state faces an overriding task, can define a few simple priorities and then throws its resources into them. Thus, it was a spectacular success in industrialising the Soviet Union in the 1930s, mobilising war efforts in 1939-45 (even in Britain and the U.S.) and rebuilding the Soviet bloc economies just after that war.

Guidelines

Since then, central planning has produced diminishing economic returns. Central planners have found themselves increasingly at sea in the increasingly complex economies they are supposed to command—unable to respond from on-high to public demand in the way local managers can, or to allocate resources smoothly in the way a realistic price mechanism could.

Various escapes from this impasse are being attempted. By far the boldest experiment is in Hungary, where mandatory directives have been replaced by guidelines and the government is steering the economy as much by credit and price policy as by administrative interference.

The drag on reform in the Soviet bloc has been the Soviet Union itself. Moscow has sporadically tried partial decentralisation, in 1965, in 1979, and again under Andropov-Chernenko. But these experiments have generally proved short-lived.

The lesson from the Soviet Union is that economic changes frequently run into an all too powerful anti-reform coalition of bureaucrats, party hacks and managers who fight for the status quo. It will be interesting to see whether the new momentum in Peking can overcome such forces of inertia.

Advertising for Heinz. The company's president, Tony O'Reilly, says: "We are keenly aware the vast majority do not have access to our products"

World food manufacturing

Now the battle for the global palate

By Carla Rapoport

THE BRITISH passion for Kit-Kat, a chocolate-covered biscuit, could *not* possibly be shared by the Japanese. And the French would *never* go for the American abomination called iced tea, much less in tins. Americans, of course, *hate* spicy foreign food.

Misconceptions such as these have meant that while consumer product industries—from jeans to cosmetics to electronics—have gone completely international over the past few decades, the food industry, with the exception of cola and cornflakes, has remained largely within the boundaries of national taste.

But faced with stagnant growth prospects in home markets, as well as the increasing concentration of retailers and stiff competition from the boisterously healthy fast-food chains, the world's leading food manufacturers are now hard at work bashing down the barriers to internationalisation.

Mr Floris Maljers, the effervescent new chairman of Unilever NV, Europe's largest consumer products company, says the group's Lipton Iced Tea is enjoying a good reception in France, against most initial expectations. "Unilever has long been an expert on building up its brands around the world. We did it in soap and detergent. But in food, we didn't believe it could be done."

But something is happening to eating habits worldwide. "I don't know why, maybe it's movies or travel, but eating habits are becoming contagious," Mr Maljers says. He believes the growing consciousness of the importance of healthy eating worldwide and the breakdown of the traditional family unit are main factors behind the change.

The result is a new "unification" in food markets worldwide, an extension of what Mr Helmut Maucher of Nestlé calls "the unification of the consumer." The differences between eating habits will remain greater than tooth-brushing or washing habits, but they will gradually diminish. The successful food manufac-

Differences between eating habits will diminish

turer will be the one who can identify this shift and exploit it with innovative products first.

To this end, the world's food manufacturers have been pushing hard on these fronts:

● Acquisitions and mergers. From Nestlé's $2.9bn (£2bn) bid for Carnation down to Dart and Kraft's $25m for herbal tea group Celestial Seasonings, the large food companies have been acquiring smaller groups. The aim is to put more brand names through their marketing networks and enlarge these networks worldwide. The latest major takeover is Unilever's successful bid for Brooke Bond.

● Advertising and marketing. Advertising budgets are swelling markedly, particularly in Europe where per capita spending on advertising food is still only a quarter that of the U.S. Nestlé, for example, plans to increase advertising spending by 20 per cent this year, compared to sales growth of around 5 per cent. At the same time, food marketing managers are aggressively gearing new pro-
aggresively gearing new products towards shifts in eating patterns.

● Products innovation and new technology. Perhaps the most exciting aspect of the changes taking place in the industry, these new technologies will vastly improve manufacturers ability to process and distribute tastier foods. New techniques will contribute to advances like a 25-day shelf life for items like chicken salad and the first frost-resistant coffee bean. Advances in biotechnology will also me increasingly important.

To many in the Euroopean food industry, these kind of changes are long overdue. Capital investment and advertising expenditure have been well behind other consumer product industries (see chart). Some say that has contributed to the shift of power from food manufacturer to food retailer in Europe particularly in terms of innovation and branding. And Europe has been well behind its American counterparts in launching new products.

The success of Marks and Spencer, the British retailer, in the food business, is a classic example. Holding an estimated 3 per cent of the £27bn UK retail food market, M and S has practically pioneered the booming chilled food industry in Britain. Its sales growth has been outstanding with scores of new products introduced each year.

Northern Foods, the Hull-based group and one of M & S's main suppliers, will spend from £40m to £45m on product innovation this year, up from £35m last. "The British food industry has been very complacent," says Mr Chris Haskins of Northern. "The quality of people going into the business has been low, resulting in tradition-bound management."

To back his point, Mr Haskins points to the European frozen food industry. "Everyone just piled in because it was the thing to do. I don't reckon that a cent has been made out of frozen food in more than 20 years," he says. Others blanch at the directness of the remark, but aside from pointing to profitable niches in the market, they quietly agree.

Another source of criticism comes from the fast-food operators.

"It was the worst business experience of my life," Mr Bob Rhea, head of McDonald's UK, says about his approaches to large parts of the UK industry. "We knew we'd have trouble with rolls. We went to the big bakers and said 'Give us a good roll, or we will build our own plant.' They laughed," says Mr Rhee. McDonald's, which does not believe in vertical integration, did just that. The plant now produces 2m rolls a week and is the biggest of its kind in Europe. Sales of McDonald's UK have leapt from £6.6m in 1977 to over £100m this year.

In its defence, the industry says it has been hemmed in by retailers anxious to promote their private label food products. Over the years, that business has been slowly gaining strength, to a penetration of 26 per cent of groceries in the UK, 20 per cent in West Germany and 14 per cent in France.

These figures, however, obscure the fact that in some areas private label business is on the decline.

"Brands give the most security," says Mr Camillo Pagano, executive vice-president of Nestlé in charge of international marketing. The industry, he says, sees real breakthrough products, like instant coffee, "once in a blue moon." As a result, brands have to be made stronger and taken into more markets. Mr Maucher calls the process cross-fertilisation and says it is a major reason why his company is spending so much for Carnation.

Mr Tony O'Reilly, president of Heinz of the U.S., puts it this way: "We are keenly aware that the vast majority of the world's people do not have access to our products."

The way forward on internatilonalisation of the food industry is now a topic of intense debate in the industry.

Mr John Greenius, head of Nabisco UK, says: "World branding is something we are 100 per cent in favour of. It's part of the globalising palate, as I see it, but I'm not sure of global advertising. Triscuits (a popular U.S. cracker) has potential all round the world, but I'm not sure the same advertisement for Triscuits does."

Another big talking point is the question of changing a brand name. "We are told that it is not easy to say Kit-Kat in Japanese. But the product is called Kit-Kat in Japan, Australia, Germany, everywhere. We think the name is important," says Mr Lindsay MecKinlay, director of the European division of Rowntree-Mackintosh, the UK confectionery company.

Others disagree. "A company can be international, a product cannot," Mr Eric Haueter, a vice-president of CPC International of the U.S., said in an interview in an American trade publication this month. "You do not market a product, you market a concept," he said.

A concept doing well in the U.S. and under development for Europe is premium-priced and low-calorie frozen dinners. Nestlé's Lean Cuisine has reached $400m a year in sales in just four years since its introduction, while Le Menu, a Campbell attack on the more expensive range in the frozen food market, has risen to sales of $150m a year in just two.

Mr Maucher, speaking of the recently identified phenomena of young professionals who are more interested in saving time than money, says: "We have Yupples in Europe."

But trouble is in store for the food manufacturer who cannot fit all these pieces together. Mr David Sculley, assistant depoty director of Heinz UK, says: "It seems inevitable that the days of the No 2 or No 3 brand in a market are numbered. They are in the terrible position of losing the equity [value] of their brand." This, he reckons, is because they cannot keep up with the advertising expenditure and research and development costs of the market leader, or match the private label manufacturer on price.

Mr Sculley's views are backed by a new study from the Harvard Business School. Looking at a brand's net profitability relative to its ranking with its product category, the study found that the No 1 brand's net profit margin as a percentage of sales will average 17.9 per cent, No 2 will average 2.8 per cent, No 3 will be −0.9 per cent, and No. 4 will be −5.9 per cent.

The weapons being prepared for this battle for brand leadership will largely emerge from the laboratories of Europe and the U.S.

Nestlé, for example, has just sunk SwFr200m ($80m) into a new research centre in Lausanne. Others are spending similar amounts.

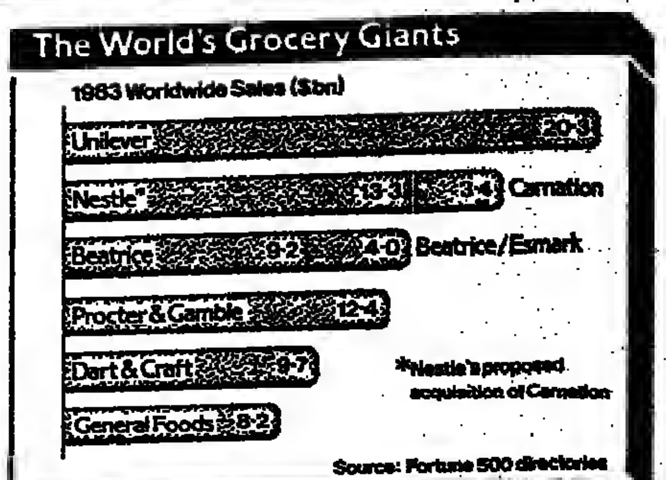
The most promising ammunition seems to be emerging from work on plants. Food manufacturers agree that most frozen foods do not taste particularly good—or, at least, nowhere as good as fresh. They are also concerned about boosting farm yields. Work on tissue cultures—with and without the help of genetic engineering—should pave the way for freezable, meatier tomatoes and disease-resistant peas.

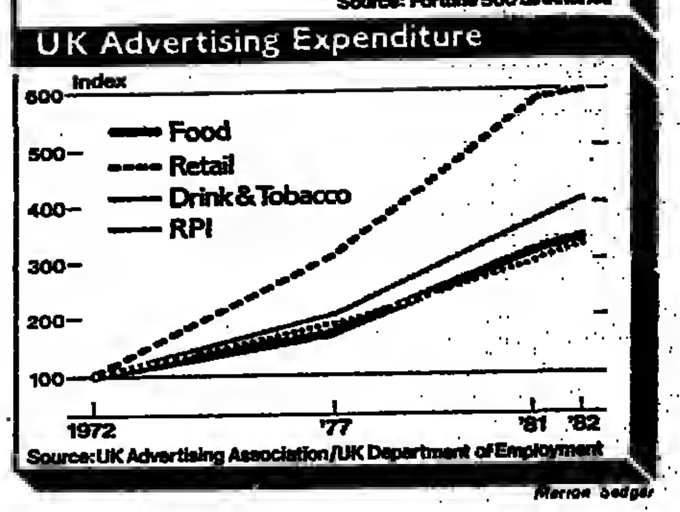
The way forward is a topic of intense debate

The industry is also looking for what Mr Maljers at Unilever calls "softer technologies;" that is, the use of enzymes to change a product, rather than chemical additives which might cause unwanted side-effects over the long-term. Work in the packaging field is already signalling the day when fresh chilled products can be asceptically sealed, without chemicals, for 25 days of shelf life.

This advance will have a tremendous impact on the small but growing chilled food market. "Almost anything in the freezer could be considered for this technology," says Mr Maucher.

"I see many things, but for the time being, no revolutions." He throws his hands into the air and adds: "But waiting for revolutions is a very passive thing to do."





MAJOR FOOD MERGERS

Buyer	Acquisition	Date	Price
BSN-Gervaise-Danone (France)	Dannon (U.S.)	1981	$84.3m
Nabisco (U.S.)	Huntley & Palmer (UK)	1982	$160m
General Foods (U.S.)	Entenmann's (U.S.)	1982	$315m
CPC (U.S.)	C. F. Mueller (U.S.)	1983	$122m
ConAgra (U.S.)	Armour Food (U.S.)	1983	$166m
Beatrice (U.S.)	Esmark* (U.S.)	1984	$2.8bn
Nestlé (Switzerland)	Carnation (U.S.)	current bid	$2.9bn
Ralston Purina (U.S.)	Continental Baking (U.S.)	current bid	$475m
Unilever (Anglo/Dutch)	Brooke Bond (UK)	current bid	$466.8m

* Esmark acquired Norton Simon for $1.1bn in September 1983.

Men and Matters

Wilmot changes gear

A new life-style begins at 40 next year for Dr Robb Wilmot, chairman of ICL—or at least that is what he has promised himself for his birthday on January 2.

As Peter Bondfield takes over responsibility for the day-to-day running of the company within the STC group, Wilmot intends to work part-time—50 hours a week, say, instead of the 100 hours he has been putting in weekly since he arrived at ICL back in 1981.

So what will he be doing with all that unaccustomed spare time? He is not expected to be looking for jobs with other companies." And he would certainly not take on any role that would conflict with the interests of ICL or STC," friends say.

As usual, ICL is coy about what Wilmot is being paid as chairman. But even if it is markedly less than his £189,000 salary as chief executive, he will not be short of spending money. And his option on 1.4m ICL shares—granted when he joined the company—is apparently convertible like any ICL holdings into 90p cash each or STC shares.

Wilmot intends to devote more time, for a start, to his family who have not seen much of him in the past three years.

Then he is keen to develop his wider interests in the industry—part, as he sees it, of his new role at ICL in concentrating on future strategy.

That job sounds challenging enough for most men. And Wilmot may also find the change from "hands-on" involvement in production and marketing to strategic planner quite time-absorbing.

Which way?

"We can't help admiring their cheek and ingenuity," says Rosemary McRobert, of the Consumers Association, "but we shall be complaining about it to the Advertising Standards Authority."

At issue are the full-page newspaper ads run by Audi and Volkswagen this week, highlighting the results of Which? magazine's car reliability tests.

Jealous of its independence, the CA forbids the use of the Which? name for promotional purposes. A complaint against Audi was upheld by the ASA five years ago.

But competition being what it is in the car trade, the West German car-makers' ad agencies—Doyle Dana Bernbach (VW) and Bartle Bogle Hegarty (Audi)—were loth to let the chance slip ti cash in on the Which? report.

Volkswagen quoted on LBC radio report of the Which? finding that the VW Polo was "the best overall for reliability"—adding "It was no news to Polo owners."

Audi, reprinting a Times report with the name of the magazine blocked out, declared: "The Audi 100 has just been given the highest rating of any car by a leading consumer magazine. Unfortunately we can't tell you which."

Officials at VAG (UK), the Audi and VW importers, admitted that they had "bent the rules"—but argued that the independence of Which? was widely recognised.

"And we are only too happy to let our potenaial customers know the results of its tests."

Freebie

At least one of the British clearing banks has concluded that it is too expensive to process small amounts of money—so the bank has started giving the stuff away.

A customer at a small branch in plushy Surrey asked for some Brazilian money to take in his pocket on a trip.

"Well," said the counter clerk, "We have 400 cruzeiros which we can't change as it is only worth about 14p. . . It would cost a pound to change it. . . . Have it as a present from us."

Silicon secrets

In California's Silicon Valley the number of trade secrets theft suits closely matches the number of new companies started as "spin-offs" from older businesses. Taking the secretas with you has become e way of life.

My spy in the valley reckons that established companies now call the lawyers as soon as they hear that one or more employees are leaving to start a new business.

Bitter legal struggles can ensue if the new company's business is to be even slightly competitive with that of the former employer.

Such is the case between National Semiconductor and the two-year-old Linear Technology Corporation, whose bosses used to be the management team of NC's linear circuits operation.

Suits and counter-suits have earned thousands of dollars for the lawyers. But now poetic justic has prevailed.

National's lawyers recently forgot to mark a document "confidential"—and it happened to contain a detailed description of the company's linear processing technology. So a local newsletter published the great secret.

National reckons that the 36 pages of top secret data could be worth "multi-millions of dollars" to its competitors.

Hanging matter

Sir Walter Marshall, eged 52, extrovert chairman of the Central Electricity Generating Board, became the youngest freeman of the City of London yesterday.

Welcoming him at the Guildhall the corporation showed due caution saying it could not promise that he would remain the youngest for very long—after all they create about 200 new freemen every year.

Which leeves the question—what are the privileges conferred upon e freeman of the City?

One little publicised right—dating from the rays when life was more robust — is to be hanged by a silken cord.

Which has led Marshall's adversaries to recall a promise he made last year. So convinced is he of the safety of the pressurised water nuclear reactor that he said when the Sizewell public inquiry began he would stake his professional life on the inspector accepting the safety case.

Now the City offers him an elegant alternative.

Lost in thought

One City banking analyst reckons he has discovered how First Chicago managed to make a $70m loss in the third quarter of this year. When he called the bank's investor relations department and asked for a run-down, he was told: "Gee, when it comes to figures here, things get kinda complicated."

Observer

ECONOMIC VIEWPOINT

A case for Runciean reflation

By Anthony Harris

THERE is an uneasiness about the annual ritual of Tory self-congratulation at Brighton this year. Conservatives are not in the least worried when Mr Arthur Scargill wins an ovation in Blackpool by accusing them of having a balance-sheet mentality; most of them would be proud to own the charge. But when the Archbishop of Canterbury accuses them of breeding discord and violence, it is another matter.

If they were a little more open-minded about these charges, they might find that Mr Scargill's accusation is just as disquieting as Dr Runcie's, though for exactly the opposite reason. Mr Scargill is disturbing because he is plumb wrong. Indeed, it is partly because he is wrong, and the Government does not have a balance-sheet mentality, that the Archbishop is right.

A balance sheet, after all, has two sides—liabilities and assets; but Ministers hardly seem aware that the public sector possesses any assets, apart from those which they intend to sell off. All their thoughts are concentrated on the liability side of the balance sheet. Some companies are run a little like this. The board is so concerned to reduce its overdraft that development is neglected, operations are crimped, and the warehouse is turned into cash through a sale and leaseback. Such companies are accused by commentators—and sometimes by Bank of England directors or even Ministers of lack of enterprise and neglect of opportunity, and rightly so.

What would be said, though, of a company which had such tunnel vision that it forced itself into steady loss (largely through perpetual redundancy payments) and therefore found its debts rising rather than shrinking? A very restrained critic might suggest appointing a new management accountant. The shareholders, once aware of the facts, would more probably appoint a new board.

The figures in the table, which simply look on the public sector as a business (and Ministers are fond of arguing that public sector entities should be run like a business) require little explanation. The growth of liabilities is measured by the public sector financial deficit (PSFD) rather than by the more familiar PSBR, because this nets out the state's activities as a bank or a building society—lending to finance exports, enterprise, house purchase and the like, where there is no change in net liabilities. This is equivalent to the adjustment in company accounts for trade credit. However, since sales of assets are treated like borrowing in the PSFD, privatised assets (mainly council houses, as it happens) have been added back into the assets column, to avoid double counting.

The difference between the two columns gives a measure of profit — just as the profits of a business can be read as easily from the balance sheet as from the trading accounts; and it is a sorry picture. Admittedly, depreciation and write-offs are based on statistical conventions rather than valuations; and some public assets (the Severn Bridge) are more worth having than others (the Humber Bridge).

More important, we must admit that these are historic cost accounts. The gains in asset values in the 1970s are quite largely valuation gains: where there was no real growth (1976, 1977 and 1978) the public sector's "profit" is simply the bondholder's real loss. Nevertheless, the public sector's assets did grow, in real terms, through the 1970s; they have fallen rather steeply since the present government took office, even adding back those which have been privatised.

What does this fanciful piece of accountancy tell us about the real world? Something important, I would suggest. First, it tells us that according to normal depreciation conventions, our infrastructure is actually being run down; spending is no longer adequate to make up for the ravages of time.

More important, when we look at both sides of the balance sheet, we see growing debt against wasting assets (and the debt is now growing in real terms, while it shrank in the 1970s). This reflects the perversity of Ministers rather than the perversity of fate; for it is the financial reflection of a policy decision—the decision to pay people to do nothing rather than to do something. An unemployed worker is a liability; a productive worker is an asset. In human as well as financial terms, present policies are turning potential assets into liabilities, both current and long term. The national accounts tell us what commonsense tells us (and what Ministers admit they find hard to refute. They should face the truth.

The Chancellor would no doubt seek to refute this argument by calling on the principle of crowding out (what my colleague Samuel Brittan might be tempted to call the lump of savings fallacy).

This states simply that the public sector is only one, arbitrarily defined part of the economy as a whole; and that the less the Government spends on investment, the more there is for the private sector to spend. This sounds like sense, but it does not describe the real world. It implies first that the employment implications of public and private sector investment are the same;

Public sector investment employs labour (so that the cost of the same labour unemployed can be netted out) and is overwhelmingly concentrated on domestic activity. Private sector investment, so far as it happens in the UK at all, often consists of buying imported machines to replace home-grown labour. As a result, a rise in private investment can often actually add to public spending on the dole.

This is one of the strongest reasons why public spending goes on obstinately rising in real terms despite endless and painful "cuts." Ministers who are unable to see the balance sheet as a whole are also unable to see the economy as a whole.

This is an approach which should be adopted to micro-economic as well as macro-economic decisions. In the coal dispute, for example, as Gavyn Davies of Simon and Coates has pointed out, the rational test for pit closures is not whether the NCB in isolation can show an accounting profit on a pit at the protected prices it charges, but whether the net cost of producing the coal, realistically valued, is less than the cost of not producing it. This would not be true in a fully employed economy, and in the long run would make no sense; but in the long run, as Keynes pointed out, we are all dead.

However, we are concerned with another admirable economist, Dr Runcie; and as he points out, there are incalculable as well as calculable costs involved — the damage to national morale, the damage to our image abroad and (closest to the Government's heart) the damage to the private sector, as unemployment revives Luddite resistance to change.

Yes, but what would you *do*? There is little space left to describe the mechanism of a Runceian reflation, but at least its main features can be sketched—with the warning, always, that the effect would at first be little better than marginal though in time, as President Reagan has proved, injections of net public demand would stimulate the whole economy. We cannot, however, afford to follow the President's lead headlong into debt.

The *first point* is that if employment is a top objective—as it should be—then it does not make any sense to give top priority to cutting the deficit and interest rates. Reducing the cost of financial capital actually encourages the displacement of labour by capital equipment, if rates can indeed be brought down. In the real world, the President goes on offering investors tempting returns regardless of our own efforts.

This leads to the CBI's conclusion: It would make use of the "fiscal adjustment" shown in the Red Book—the underlying improvement in the fiscal balance—to finance more public investment.

This message may have got home; the sudden melting of resistance to the east coast railway electrification is encouraging; but it is not enough. There is a case too for a further rise in public sector investment (necessary in any case to stop the growth of public squalor). The net cost might have to be financed by higher borrowing. Or one of the new taxes the Treasury is cooking up would do; this would not frighten the City with higher borrowing, but would provide a rise in the *cyclically adjusted* deficit. Mr Lawson might look *at his 1981 Zurich speech again.*

In short, balanced-budget reflation targeted at jobs would meet the Archbishop's argument without offending the Government's cash flow prejudices. And might borrow one more feature from Dr Garret FitzGerald's austerity package in Ireland—increased spending on adult education to equip people for structural change, a form of investment which does not appear on the balance sheet. Come to think of it, Dr Runcie suggested that, too.

BALANCE SHEET CHANGES: UK (PUBLIC SECTOR) UNLIMITED

(£bn)

	Rise in liabilities (Public sector financial deficit)	Rise in assets* (Net capital stock)	At 1980 prices	'Profit' (Rise in assets minus rise in liabilities)
1974	4.8	27.8	(19.4)	23.0
1975	7.6	26.9	(−2.3)	19.3
1976	8.5	19.6	(—)	11.1
1977	6.1	18.9	(−3)	12.8
1978	8.3	25.6	(8.1)	17.3
1979	8.7	45.5	(14.4)	36.8
1980	11.1	47.3	(−1.8)	36.2
1981	9.0	15.7	(−12.6)	6.7
1982	7.7	2.8	(−9.6)	(4.9)
1983	10.8	9.5	(−3.3)	(1.3)

* Adjusted for privatisation.

Source: CSO Blue Book


Mr Scargill: 'balance-sheet mentality' claim


Dr Runcie: discord and violence accusation

Lombard

Mr Reagan heads for default

By Anatole Kaletsky

IT IS a favourite maxim of President Reagan's that there is no difference between a government borrowing and a government raising taxes—both simply represent an unproductive drain on the private sector. For the intellectual detractors of Reaganomics, there is no problem in refuting this fallacy before audiences with a knowledge of economics from high school level upwards: they can point, for example, to the differential impact of taxes and borrowing on interest rates, consumption patterns and trade deficits. But when it comes to the political hustings—or to the boardrooms of Swiss banks, Japanese insurance companies and Arab investment houses which are cheerfully underwriting Reaganomics through the most open-handed international lending spree in human history—an altogether different argument might be more telling.

If the President of the United States publicly avers, as he did in his debate with Mr Mondale, that he sees no difference between borrowing money and taking it away through taxation, then surely the conclusion to draw is that he does not intend to pay back what he borrows. Is he hinting, in other words, that the U.S. Government could simply default on its debts?

Just as everybody was getting well and truly bored with the sovereign debt crisis and with the U.S. deficit, could it be that the two might combine into the single mega-issue of a U.S. default? For those of us who make a living from other people's interest in international economics, such a notion is too exciting to resist, so I began the search for evidence at once. My long-neglected in-tray provided it without difficulty.

First came the recent calculation by Mr Stephen Marris of the Institute for International Economics that on current trends America's ever-growing current account deficit would wipe out its $130bn of net external assets by 1985 and turn the world's supposedly richest nation into an international debtor to the tune of $800bn by the end of the decade.

Next I noticed a table produced by Data Resources, the leading econometric forecasting company. This was an "austerity list"— countries selected by the DRI computer for having external policies so unbalanced that they "cannot long violate the economic laws of gravity." Among the worst offenders were Upper Volta, Nepal and Haiti. Brazil, Mexico and even El Salvador had recently graduated from the list. Among new additions were Papua New Guinea, Syria—and the U.S., the only industrialised country ever to qualify.

Still, it seemed farfetched to compare the U.S. Government, whose credit is the most unimpeachable security in the world, to banana republics, many of which had defaulted persistently in the past 50 years.

I turned at this point to Grant's Interest Rate Observer, a bond market newsletter with a respectful following in Wall Street. Grant's had decided to investigate the possibility of a Treasury default. It pointed out that IBM's obligations now command greater confidence than the Treasury's, to judge by bond market yields. This is hardly surprising, since IBM's interest payments are covered 26-fold by earnings, while the U.S. Government borrows anew every dollar which it needs to pay the interest on its existing debts.

Furthermore, the U.S. Government's credit record is by no means immaculate. In June 1933, the Congress nullified the convertibility of dollars into gold and 18 months later the Supreme Court ruled that the application of this law to the Government's own bonds was an unlawful repudiation of the Government's contractual obligations. However, the Court declined to award damages to bondholders, and to make doubly sure, the Congress promptly passed a law barring any further suits.

"Shame and humiliation are upon us. Moral and financial chaos may confidently be predicted," was how one Supreme Court Justice opined on the episode.

In the 1980s, such dramas could, of course, be avoided. These days governments have easier ways of welshing on their obligations: they are called devaluation and inflation.

Letters to the Editor

Developing agriculture

From the President, International Farm Management Association

Sir,—Michael Holman's accurate article (October 8) illustrates vividly that the West can no longer ignore the problems of the African continent or allow the status quo to continue. The political problems caused by increasing population and stagnating or falling food production are exacerbated by the opportunities 70 per cent of the population have of seeing the high living standards of the West on TV—often run by mobile generators in villages isolated in the African bush.

The primary need throughout sub-Saharan Africa is to develop food production and grain reserves against periods of drought. Once there is confidence in the food supply, the rural and urban economies will be able to develop to create a society in Africa that is comparable with contemporary society elsewhere.

Agricultural development is hampered by lack of hard currency to buy Western equipment, seeds and chemicals, by generally poorly structured farm holdings and by a weak or non-existent advisory service available to farmers. There is a general need to learn from the success of the small farmer's scheme in Kenya, so ably administered by well-trained local extension officers.

The key to developing agriculture, upon which every worthwhile society depends, is to understand the very real problems that Africa has to earn enough hard currency to repay its debts and also buy the essential inputs to develop its agricultural industries.

The West is challenged by the World Bank report to re-think its fiscal policies towards the Third World, and particularly Africa. Dollars and other Western currency will never be earned in sufficient quantity while the West is in recession and unwilling to develop beneficial trade with Africa. The debts will mount and political protest will become increasingly probable unless radical new fiscal policies are developed with a sense of urgency and understanding.

The sub-Saharan African nations should be encouraged to come together to form an African Economic Community—with a top priority of trading outside Africa in a new currency—the Afro dollar—which would rank in every way with the other hard currencies of the world. It would be exchanged for local currency within Africa but for all trade, any debt repayments and tourism, it would be the internationally accepted means of exchange.

Mr Holman is right—"the spectre of disaster . . . confronts Africa and the international community"—unless the West acts decisively, urgently and generously.

Frank Paton.
Block A,
Government Buildings,
Coley Park,
Reading.

Fixed Channel link

From the Chairman, Channel Tunnel Association

Sir,—The recent survey by the banks on finance for a fixed Channel link is a well prepared document which makes, and improves with, good reading. It pushes for financial guarantees even though the banks knew that HMG would be unlikely to give them. One critic declared the banks to be self-interested for profit but the guarantees would command a finer turn and so not necessarily be in their entire interest.

The banks feel that a fixed link is desirable and viable and that early government action or at least declaration of intent is a must. Yes, in real terms they feel that the twin bored tunnel scheme is the "one most likely" and we tend to agree. We have, however, always admitted that the other schemes could be technically borne to fruit—with difficulty and at a cost—but could only "be on" for reasons such as job creation and economic expansion.

Over the last four years the Government has wisely and steadily played the game and this is an indication of interest in itself. The coming visit of M Mitterrand is indeed an ideal time for pronouncement. Engineering/financing consortia must also play their parts by having schemes ready for early presentation to HMG for consideration—they must not wait but must keep knocking at ministerial doors and be ready to act. The entrepreneurs must keep active.

We have every confidence in HMG and will watch the coming months with interest.

Alan R. Titchener,
The Farmers Club,
3, Whitehall Court, SW1.

Not with public funds

From Mr J. Bourlet

Sir,—If Nicholas Colchester's "Time to channel our energies" (October 8) is not to be written off as just another piece of Channel Tunnel propaganda, it needs to be balanced by the two most fundamental opposing arguments.

In pointing to the "20m people and 18m tons of freight crossing the Channel every year" he ignores the fact that traffic is destined and originates from many points, enjoying a multitude of crossing points and patently does not all wish to use the Dover-Calais route—let alone all wish to give up the pleasure of a sea crossing.

He ignores the real reason why private investors are desperate to secure government financial involvement in a Chunnel scheme. This is that, in time, the only way in which enough traffic can be forced on to this route will be by the Government deliberately curtailing other, perfectly profitable cross-Channel links. The "lever" must be established at the outset; the Government must be booked for investors to be attracted.

The Government is surely absolutely right to insist therefore that while planning permits, diplomatic co-operation and non-financial assistance is available, no public funds or guarantees can or should be given.

James Y. Bourlet.
Business Studies Unit,
School of Business, Economics and Social Studies,
84, Moorgate, EC2.

Paying for pensions

From Mr J. Harrington

Sir,—Your columns have, from time to time, noted that although members of private pension schemes have the opportunity to make additional voluntary contributions, few have taken advantage of that opportunity.

I would suggest that a major reason for this is the fact that members would generally prefer to keep their private financial situation unknown to their employers.

In particular, members are aware that many post-retirement increases in pensions are made on an ad hoc basis by employers, usually on a basis of perceived need to regain purchasing power. An employee who makes significant voluntary contributions is telling his employer (a) that he can live on far less take-home pay than might otherwise have been imagined and (b) has a known retirement nest egg from which to partially immunise himself against losses of purchasing power.

Any significant degree of making additional voluntary contributions by employees would seem to be an open invitation to their employer to make lower post-retirement increases than might otherwise be expected. Why should anyone be surprised that employees do not behave in that fashion?

Jan R. Harrington.
P.O. Box 746,
General Post Office,
New York, NY 10001.

Real returns on capital

From the Head of Statistics Division 2, Department of Trade and Industry, Services Organisation,

Sir,—In the Lex column of October 1, reference was made to estimated real rates of return based on national accounts figures and other rate of return calculations from company accounts published in the latest Bank of England Bulletin. I should like to make it clear that they are not measuring the same thing.

Rates of return based on national accounts measure *returns on trading assets* in the UK for industrial and commercial companies of all sizes whereas the recent Bank of England calculations measure the rate of return for large companies on both trading and non-trading assets in both UK and overseas. The differences between the two types of measure can be quite large and the reasons for them are analysed in detail in an article in the August 1984 issue of Economic Trends.

The latest estimates based on national accounts were published in British business 21 September 1984, and show that the original estimate of 2.7 per cent for 1981, *made in mid-1982* using provisional figures, has been revised to 3.4 per cent. It is still the lowest in the series (which starts in 1960), and the article shows that by 1983 the rate had recovered to nearly 8 per cent. The information available does not indicate any conflict between the trends shown by the two series on real or current cost rates of return.

J. Hibbert.
1-19 Victoria Street, SW1.

Potentially dangerous

From Mr R. Jenkins

Sir,—You report (October 5) that the Frankfurt exhibitors are crushing old television sets for people to take home and hang on the wall as "original works of art." It is to be hoped that they are checking that the remains do not contain any carcinogenic phosphors from the tubes otherwise they may find that the new media are quite literally a cancer to the book trade!

Roy Jenkins.
27, St George's Road,
Cheltenham,
Glos.

FINANCIAL TIMES
Thursday October 11 1984

West Berlin is pace-setter in recovery

BY LESLIE COLITT IN BERLIN

WEST BERLIN's ailing economy has begun a remarkable comeback and now appears to be outpacing the recovery of the rest of West Germany.

City officials noted that for the first time for 14 years there was a slight increase in industrial employment of 0.2 per cent in the first half of this year compared with a decrease in West Germany of 0.5 per cent.

Investments in West Berlin rose by 14.1 per cent in the same period, while growing by only 1.4 per cent in West Germany. The city's gross product went up 2.7 per cent compared with growth of 2.2 per cent in West Germany. Unemployment in West Berlin, however, remained stubbornly higher than West Germany's 8.6 per cent.

Herr Eberhard Diepgen, West Berlin's Christian Democrat governing mayor, and economics chief Herr Elmar Pieroth proudly compared the rise in factory jobs with the average loss of some 9,000 industrial jobs annually during the 1970s and the loss of 6000 last year. The message was that the Social Democrats, who were in office in Berlin until mid-1981, were largely to blame. Herr Diepgen is up for reelection next year.

The bloodletting was partly the result of the closures of several Berlin factories belonging to ill-starred AEG as well as rationalisation by Siemens. Other large West German groups with heavy engineering subsidiaries in Berlin also chopped their employment rolls.

That coincided with widespread reports in the West German media of the "ungovernability" of West Berlin with its hundreds of blocks of flats then occupied by politicised squatters.

Today only two buildings remain occupied and West Berlin has made a determined effort to revamp its previously obsolescent economy.

Small and medium-sized electrical engineering and electronics companies were enticed with investment incentives to set up shop in Berlin or to expand there. Such companies now account for much of the increase in industrial jobs.

Nixdorf, the most successful German computer company, is building a new plant in Berlin, and West Germany's first venture capital companies were established in the city to launch innovative companies. Siemens has begun to create new jobs, and the big names in German industry have announced plans to expand their Berlin operations.

All that would have been impossible without continued heavy financial aid from Bonn, which will provide DM 11.3bn ($3.6bn), 52.5 per cent of West Berlin's 1985 budget. West Germany will chip in another DM 638m in indirect support and has budgeted DM 1.7bn next year towards supporting the crucial allied military presence in West Berlin.

Bonn dithers over conscription, Page 3

UK phone deal blow to CIT Alcatel

By David Marsh in Paris

CIT ALCATEL, the French state-controlled telecommunications group, yesterday attempted to put a brave face on the decision by British Telecom to exclude French equipment from a coming tender for digital telephone exchanges.

The company said it regretted the decision, which was hardly "in conformity" with a year of talks between Britain and France over opening up each country's market for telecommunications equipment.

CIT Alcatel, however, said it remained open to industrial collaboration with GEC and Plessey, the two makers of Britain's System X exchange, irrespective of the BT decision.

France suggested a reciprocal opening of the market and joint development of future generations of telephone exchanges, during a meeting between Mrs Margaret Thatcher, the UK Prime Minister, and President François Mitterrand in October 1983.

The rebuff to French hopes represents another important setback to the Paris Government's plans for wider electronics collaboration in Europe. It follows last week's news that a proposed Franco-German joint radio-telephones network, originally planned to come into operation in 1986, has been postponed for several years.

Even more worrying for the French is the implication that the E10 digital exchange offered by CIT Alcatel is technologically inferior to the equipment offered by the three groups retained for the BT tender – Northern Telecom, Thorn/Ericsson and Philips/AT&T joint ventures.

France had offered to buy System X exchanges in return for sale of the E10 in Britain.

Reagan dismisses age as issue in campaign

BY REGINALD DALE, U.S. EDITOR, IN WASHINGTON

PRESIDENT Ronald Reagan yesterday light-heartedly dismissed suggestions that his age had become an issue in November's U.S. Presidential elections and charged his resurgent rival, Mr Walter Mondale, with "making a career out of weakening America's armed forces."

Questions about Mr Reagan's age persisted yesterday, after his lacklustre performance in Sunday's televised debate with a relaxed and self-confident Mr Mondale.

Mr Reagan, at 73, is already the oldest U.S. President in history. He would be almost 78 at the end of a second four-year term.

Mr Mondale and Ms Geraldine Ferraro, his Vice-Presidential running mate, however, were handling the issue carefully for fear that it might backfire. So far the two Democratic White House challengers have left it to their party colleagues – and the media – to bring up the subject.

Ms Ferraro's aides yesterday said that she did not plan to raise the issue in her debate tonight with Vice-President George Bush in Philadelphia – an encounter that is attracting much greater attention than expected after Mr Mondale's points victory over Mr Reagan on Sunday.

Mr Reagan yesterday denied suggestions that he had tired during his debate. He said that if he had worn as much make-up as Mr Mondale, aged 56, "I would look younger, too."

He told reporters that he had not worn any make-up for debate (in which Mr Mondale's face looked heavily caked) and had never done so throughout his career as a Hollywood film actor.

Throughout his term in the White House Mr Reagan has used jokes and quips to counter the idea that he might be too old to govern. On Tuesday he said he would challenge Mr Mondale to arm-wrestle "any time" to prove his strength.

White House officials yesterday pointed out that Mr Reagan's rivals – including Mr Bush in 1980 – had tried and failed to make an issue out of his age in Presidential campaigns. "If you work with him on a daily basis, and see how vigorous he is, you know that the statement that he is too old to be President just is not the case," said Mr James Baker, the White House Chief of Staff.

Nevertheless, another White House official was quoted as saying privately that Mr Reagan's age was "the one issue that could change the course of this campaign."

The widely-watched CBS television news on Tuesday showed selected clips of Mr Reagan stumbling through "ums" and "ahs" during the debate, and a number of newspapers, including the Washington Post and the Wall Street Journal, have given the issue front page treatment.

Mr Reagan's campaign advisers warned that the Democrats were "treading on dangerous ground" with the age issue because they could not back up charges of infirmity "with the facts." Mr Mondale has also taken great care not to risk a public backlash of sympathy for the President by attacking him personally.

A Mondale adviser said yesterday: "We will not go near it, and we do not have to. It is out there right now, and people will decide for themselves how big a factor it is."

Reagan heads for default, Page 23

Caterpillar dividend cut by two thirds

By Terry Dodsworth in New York

CATERPILLAR, the U.S. earthmoving and construction equipment company, ended weeks of stock market speculation yesterday when it slashed its dividend from 37.5 cents to 12.5 cents in order to conserve cash.

Its shares, which have been under pressure recently on the expectation of bad news, rose shortly after the announcement by $\$\frac{1}{2}$ to $\$31\frac{1}{4}$.

Two years ago Caterpillar cut its dividend from 87.5 cents after dropping into loss for the first time since 1932. Subsequently it has periodically indicated an improvement in its position, but said yesterday that it would be in loss for the fourth quarter of this year and reiterated that it would register a deficit for the whole year.

Although the company has not yet announced its third-quarter figures, it had run up losses of $85m at the half-year stage. The loss last year amounted to $345m, and in 1982 was $180m, compared with a record profit of $579m in 1981.

Yesterday's announcement underlines the savage competition Caterpillar has encountered in international markets, where Komatsu, the Japanese producer, has been gaining market share.

The U.S. group has suffered from the impact of the high value of the dollar on its overseas business, which in its best year of 1981 accounted for more than half its sales of $9.2bn. Last year overseas sales dropped from a record $5bn to $2.5bn.

The company has also blamed high interest rates for depressing the home market, which has not been as buoyant as forecast. It has also been hit by extensive discounting, caused to some extent by imports.

Caterpillar's statement was accompanied by further disclosures about its plans to reshape the company, which has already undergone extensive changes. The number of employees fell from 73,000 at the end of 1982 to 58,000 last year.

It now aims to freeze hiring, speed up previously announced plant closings, reduce its production schedules and establish new budgeting targets for each of its units.

Brooke Bond falls to Unilever

Continued from Page 1

The opening shots from Tate & Lyle and Unilever were vigorously contested by Brooke Bond, which fought hard to show that its earnings in tea plantations were not "inherently unstable" as Unilever was contending even yesterday, but would support group profits through and beyond the forecast £10m rise to £80m before tax in the year to June 1985.

Unilever picked up Brooke Bond shares in the market whenever they fell within the 114p range but, in an effort to conclude the long drawn-out battle, it called a council of war on Tuesday night with its advisers, Morgan Grenfell and its stockbrokers, Rowe and Pitman.

Using the constant feedback from market analysts and its own research department, Morgan Grenfell advised its client that a price of 125p per share would win control. Early yesterday morning, a team co-ordinated by the brokers' corporate finance department was briefed in what Rowe & Pitman calls its "operations room," and the buying spree was under way.

Rowe and Pitman's senior partner, Mr Peter Wilmot Sitwell, told Unilever that it was able to halt "before lunch,"

French inflation warning

Continued from Page 1

Carrying the stamp of M Barre – who has retained his reputation for independence of mind, notwithstanding his role as a leader of the opposition – the calculation is bound to carry weight. It would mean that France would end next year with a deficit closer to 3.3 per cent of GNP than the 3 per cent ceiling imposed by President François Mitterrand.

M Barre's team argues that the Government has minimised the deficit by underestimating by about FFr 10bn the cost of servicing government debt. It is also claimed that the Government has reduced borrowing needs by about FFr 4bn by speeding up repayments by public sector corporations.

The team argues that government expenditure next year will increase by 7.8 per cent, as opposed to the 5.9 per cent claimed by the administration of Prime Minister Laurent Fabius.

The severe warning on inflation in Paribas's economic bulletin stems from the recent increases in public utility charges to limit the public sector deficit, which will push up the consumer price index in 1985. The Government hopes to reduce inflation by next December to an annual rate of 4.5 per cent.

The bank also believes that M Pierre Beregovoy, the Finance Minister, has added to inflationary pressures in attempting to stimulate economic activity through lowering interest rates to encourage investment and by emphasising the need to maintain households' purchasing power next year.

Further inflationary momentum, the bank says, comes from the fact that domestic liquidity is still high because of continuing money creation to finance the budget deficit.

Fabius broadcasts provoke TV row

BY PAUL BETTS IN PARIS

POLITICAL controversy over the Socialist Government's manipulation of the French national broadcasting networks broke out yesterday.

This follows the decision of M Laurent Fabius, the Prime Minister, to appear every month in a 15-minute prime time programme on TF-1, the first channel of the national television network.

The decision has embarrassed the French broadcasting authority, whose job is to guarantee the autonomy and political fairness of the national broadcasting system. The authority has confirmed that the opposition parties will be able to respond to the Prime Minister's monthly shows with similar time on the air the following evening.

TF-1 has proposed air time for the opposition the following day during the noon news, which is watched by considerably fewer viewers than when M Fabius will appear, after the 8pm news.

M Fabius will use the monthly programmes to answer questions and explains his policies. The opposition is already describing the shows, which start next Wednesday, as part of the Socialist run-up to the 1986 legislative elections.

The row comes barely a week after the controversial appointment of M Jean-Claude Héberlé, a man close to President François Mitterrand, to head Antenne-2, the second national television channel. The president of tha broadcasting authority abstained in the vote to elect M Héberlé.

His appointment has caused a political uproar because he is the second Mitterrand candidate to be chosen to lead a national network. M Hervé Bourges, the President's favoured choice, was appointed head of TF-1 last year.

Paris approves clamp on illegal immigration

BY OUR PARIS STAFF

THE FRENCH Government has approved new measures to clamp down on illegal immigration at a time of continuing race relations tension in many parts of the country.

In an effort to reassure the country's established immigrant population of about 4.5m people, the Socialist Cabinet yesterday also announced a series of steps to improve the integration of legal immigrants into French life.

These measures, including steps to improve accommodation and job training for legal immigrants, also reflect the Government's desire not to be accused of racial bias, or of being influenced by the extremely successful, if unsavoury use of the race issue by the extreme right in France.

New measures to halt the flow of illegal immigrants, especially from North Africa, include a centralised record system of immigrant entry permits. Border police will be reinforced and airlines will be asked to check passengers' French entry permits before boarding.

It will also be much more difficult for family members to join the head of the family who is already in France. Proof will now have to be shown of stable and sufficient income in France to sustain them.

Sanctions against illegal immigrants have also been toughened.

Israel calls for latest U.S. weapons

Continued from Page 1

say that it has now emerged that Israel will need huge additional funds to overcome the design problems on the project if the Lavi aircraft is to fly in the 1990s as planned.

This issue is expected to be high on the agenda for the Weinberger visit. With less than four weeks before the U.S. elections, the Israelis believe that the desire of the Reagan advisers to win the Jewish vote offers their country a good opportunity to win additional concessions from the U.S.

THE LEX COLUMN

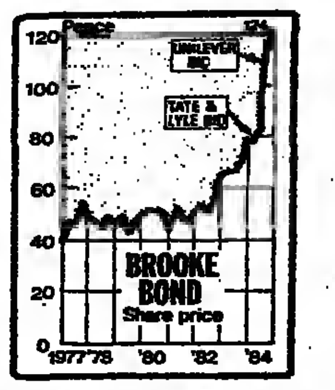
Brooke Bond's bitter brew

The suddenness of Brooke Bond's defeat yesterday appears to have taken almost everyone by surprise, not least the Brooke Bond chairman. The dramatic success of Unilever's market raid at least spared him the need for more than a few fighting words – leaving his afternoon free, presumably, to record another cassette, this time a funereal reordering of Tea for Two.

The general enthusiasm for the final 125p offer could be seen as a happy reflection on the Brooke Bond defence. Whether this price might have been agreed upon earlier, as both sides were privately claiming by the end, remains a moot point; but the exit multiple it represents, either on 1983-84's earnings or that never-to-be-tested 1984-85 estimate, does not look unfair to Brooke Bond's shareholders.

Unilever has brought off a handsome coup, none the less. Even at £389m, the purchase price still amounts to less than half of Unilever's own cash and short term investments as of last December. Assuming a 1985 pre-tax contribution from Brooke Bond of £35m, after financing costs, the acquisition should take earnings per share up about 5p to 133p. Longer-term, much more can be expected as Unilever sets about a few select disposals and begins to realise the first fruits of the celebrated fit between the two groups' grocery operations.

Morgan Grenfell has apparently opted not to challenge the Inland Revenue's stand since July against the use of tricky recapitalisations to avoid stamp duty in takeovers. This will mean a tax bill for Unilever somewhere under £4m – but even ahead of yesterday's clean-up, Rowe & Pitman had already saved £5m through judicious market buying.



Slough Estates

The coincidental pricing of the Slough Estates debenture and the Swedish bulldog yesterday afternoon left the City of London's supposedly international markets looking distinctly parochial. It seems a first mortgage security from Slough is worth a 40-basis-point discount in yield compared with an issue – admittedly unsecured – emanating from Stockholm.

Both were priced in line with the current yields for mortgage debentures and sovereign bulldogs respectively. But the upshot is that, with Slough at 95 basis points over the comparable gilt and Sweden at 135 points over, investors will receive very different monetary returns over 30 years.

To international bond investors the differential is eccentric. Sweden is regarded as one of the best sovereign risks around, while at £100m it will be a more liquid issue than Slough's £40m and investors have shown their willingness to sacrifice yield for liquidity in the recent World Bank bulldog.

Sweden's issue has been cunningly constructed with similar maturity and coupon payment dates to an earlier £50m Swedish bulldog. That allows net funds to switch between the two issues around dividend time, so converting one payment in two to tax-free capital gain. But all this apparently, is no substitute for the security of Slough.

Foseco Minsep

Foseco Minsep is not one of the stock market's best loved companies. Last month's announcement of more than doubled interim profits left the market cold; yesterday the Foseco share price dipped 3p to 179p on news of a planned $46.6m acquisition in the U.S.

Perhaps the market just has a long memory. The purchase of Gibson-Homans is only too reminiscent of the 1980 acquisition of Unicorn, which failed to live up to early expectations. Like Unicorn at the time, Gibson has been stuck on an earnings plateau for several years but is meant to be propelled off it by the power of synergy. Whereas Unicorn shared many of Foseco's clients, the key this time is to push Fosroc division products down Gibson's manufacturing and distribution network.

The problem is that the successful implementation of this strategy may already be discounted in the purchase price. The U.S. market for bituminous roofing materials, Gibson's core product, grows roughly in line with GNP and the company's pre-tax margin looks steady at about 8 per cent. For this Foseco is paying almost three times book net worth, bringing its own debt/equity ratio to just under 50 per cent, and a multiple of between 17 and 21 times earnings, depending on how the sums are done.

Unicorn seems at last to be coming right, so perhaps Foseco deserves the benefit of the doubt, but the market will certainly suspend judgment on Fosgib for a while yet.

Barlow/Bibby

It is not every bidder that is as generous as Barlow Rand, either in the level of its agreed offer for Bibby – 300p per share – or in the profusion of ways in which shareholders are being invited to treat it. Their choice includes not just various combinations of cash, Barlow shares and loan notes, but staying in the rump of minority holders which Barlos plans to maintain after the bid goes through.

It does not seem a particularly good idea for anyone passively to take up a position in this minority, even if staying where you are may seem a better method of avoiding Capital Gains Tax than acceptance of the "Samantha" loan notes which Barlow is guaranteeing. Institutions wanting to have a direct stake in Bibby will very likely be able to obtain it at a discount later on – if Barlow has to protect the Bibby listing by remarketing Bibby shares in a placing, or perhaps even an offer for sale.

Arbitrage opportunities have closed up since the offer was made; at a Barlow share price of 495p, there is little to choose between the basic offer and the cash alternative – except for those who may have gone short of Barlow recently. But since the very motive of Barlow's acquisition is to escape from the constraints of South Africa, all but those determined to head the other way should take the cash.

World Weather

		°C	°F			°C	°F			°C	°F			°C	°F
Ajaccio	F	19	66	Dubrovnik	F	24	75	Malaga	—	—	—	Salzburg	S	19	66
Akrotiri	—	—	—	Faro	S	22	72	Malta	R	23	73	Seoul	S	23	73
Algiers	S	16	61	Florence	F	22	72	Manila	C	29	84	Singapore	F	33	91
Amsterdam	R	14	57	Frankfurt	C	16	61	Miami	C	28	82	Stockholm	F	14	57
Athens	S	28	82	Funchal	—	—	—	Milan	—	—	—	Strasbourg	F	20	68
Bahrain	C	34	93	Geneva	S	16	61	Moscow	C	12	54	Sydney	S	26	79
Bangkok	C	33	92	Gibraltar	S	20	68	Munich	F	18	64	Taipei	R	28	82
Barcelona	—	—	—	Guernsey	C	15	59	Nairobi	F	23	73	Tangier	—	—	—
Beirut	C	28	82	Helsinki	C	11	52	Naples	F	22	72	Tehran	—	—	—
Belgrade	C	25	77	H. Kong	C	29	84	New Delhi	C	34	93	Tel Aviv	S	35	95
Berlin	S	16	61	Innsbruck	S	18	64	New York	C	21	70	Tenerife	—	—	—
Biarritz	—	—	—	Inverness	R	12	54	Nice	S	21	70	Tokyo	C	19	66
Blackpool	S	15	59	Istanbul	S	26	79	Oporto	—	—	—	Toronto	C	15	59
Bordeaux	S	16	61	Jersey	C	15	59	Oslo	C	14	57	Tunis	C	22	72
Brussels	C	17	63	Jo'burg	C	25	77	Paris	C	18	64	Valencia	—	—	—
Budapest	F	17	63	Las Palmas	—	—	—	Prague	C	15	59	Venice	—	—	—
B. Aires	S	24	75	Lima	C	20	68	Reykjavik	F	4	39	Vienna	S	18	64
Cairo	C	34	93	Lisbon	C	26	79	Rio de J'o	C	24	75	Warsaw	C	14	57
Cape Town	C	25	77	Locarno	—	—	—	Rome	C	23	73	Zurich	S	18	64
Caracas	C	27	81	London	D	14	57								
Casablanca	S	21	70	Los Angeles	C	27	81								
Copenhagen	C	15	59	Luxembourg	C	15	59								
Corfu	—	—	—	Madrid	C	24	75								
Dublin	C	14	57	Majorca	—	—	—								

Readings at mid-day yesterday:

C–Cloudy D–Drizzle F–Fair Fg–Fog R–Rain S–Sun Sl–Sleet Sn–Snow T–Thunder

Peking signs car production deal

Continued from Page 1

DM 500m in the operation, which will employ about 2,500 workers, says Volkswagen.

The joint company, to be known as the Shanghai-Volkswagen Automotive Company Ltd, will have capital of DM 200m. VW will put in DM 100m in cash to acquire 50 per cent of the shares.

Cash will also be put up by a subsidiary of the Bank of China to take a 15 per cent stake, and by the China National Automotive Industry Corporation to buy a 10 per cent stake. A local concern the Shanghai Tractor and Automobile Corporation, will get its 25 per cent stake mainly by bringing in factories and equipment.

VW indicated that the joint venture company would obtain finance for its DM 500m investment in the normal ways for a commercial company.

The agreement to set up the project is initially for 25 years.

Herr Carl Hahn, chairman of the VW's management board, said in Peking that the company anticipated "a reasonable market for private motors cars in the long-term."

He said he did not expect widespread private car ownership within the 25-year initial contract period, because of shortages of materials in China and overriding government priorities.

Herr Hahn said he was confident there would be more ordinary Chinese consumers to follow "the one famous farmer" – a reference to a woman chicken farmer from the outskirts of Peking whose recent purchase of a used Japanese car received national publicity.

"I think the demand for passenger cars is going to be greater and greater," he told a press conference.

Herr Hahn said it was expected that small quantities of the Audi 100 would also be assembled in China.

Published by The Financial Times (Europe) Ltd., Frankfurt Branch, represented by E. Hugo, Frankfurt/Main, and, as members of the Board of Directors, F. Barlow, R.A.F. McClean, G.T.S. Damer, M.C. Gorman, D.E.P. Palmer, London. Printer: Frankfurter Societäts-Druckerei GmbH, Frankfurt/Main. Responsible editor: C.E.P. Smith, Frankfurt/Main.

SECTION II – INTERNATIONAL COMPANIES
FINANCIAL TIMES
Thursday October 11 1984

Swedish forest products groups boost earnings

BY DAVID BROWN IN STOCKHOLM

SWEDEN'S two largest forest products companies, Stora Kopparberg and Svenska Cellulosa, report a powerful surge in pre-tax profits for the first eight months helped by strong foreign sales.

Stora Kopparberg, which will become the largest pulp and paper producer in Europe after its SKr 3.66bn ($41m) purchase of Billerud, a big domestic rival, said pre-tax profits during the first 18 months tripled to SKr 738m and forecast that its full-year results would top the SKr 1bn mark.

Sales climbed by 37 per cent to SKr 4.9bn. Operating results after depreciation more than doubled from SKr 318m to SKr 847m, because of low cost increases and higher prices, while the net financial cost declined by SKr 91m to SKr 48m. The group noted an extraordinary cost of SKr 61m, from unspecified sources, down slightly from last year.

Most divisions reported a strong improvement, helped by dollar-denominated sales, hydropower and fine paper.

Last month Stora Kopparberg cancelled the deal under which it was to acquire a controlling stake in Cartiere del Garda, the Italian fine paper manufacturer, following a disagreement over terms with Bertelsmann of West Germany.

Svenska Cellulosa (SCA), meanwhile reported that its earnings during the first eight months climbed 89 per cent from SKr 502m to SKr 949m, and predicts that its full year result will be near SKr 1.5bn.

Sales climbed by 16 per cent to SKr 7.1bn. The operating result after depreciation grew at the same rate to SKr 682 m, with the biggest improvements coming in the forestry sector, with rises in both prices and capacity utilisation. Net financial costs almost halved to SKr 47m, while shares in associated companies rose from SKr 7m to SKr 60m. Liquid assets climbed by SKr 300m to SKr 1.7bn.

Holmens Bruk, Europe's largest newsprint manufacturer reports a somewhat slower rise in its earnings before extraordinary items, appropriations and taxes due to its mainly European-currency denominated sales.

The result of SKr 174m was nearly 14 per cent ahead of last year, while sales were up by 17 per cent to SKr 2bn.

The company forecasts its full-year results will exceed the SKr 262m achieved in 1983.

Owens Illinois recovery continues

By Terry Dodsworth in New York

OWENS-ILLINOIS, the Ohio-based forest products and glass container company, registered a significant improvement in earnings in the third quarter of this year for the fourth quarter in succession.

Net income amounted to $38.7m, or $1.31 a share, against a loss in the same period of last year of $5.6m, or 21 cents a share.

Last year's net figure included a non-recurring charge of $30.4m against closures, but profits before taking extraordinary factors into account still rose by 57 per cent from $24.6m, or 89 cents, to $38.6m, or $1.30 a share.

Sales in the quarter rose from $885.6m to $89.4m.

In the first nine months of this year, net earnings have risen from $30.4m, or $1.08 a share, to $98.3m, or $3.43 a share, while sales are up only marginally from $2.61bn to $2.64bn.

Mr Robert Lanigan, chairman, said the forest products group had experienced its best quarter for three years, with particularly strong sales of container boards and corrugated shipping containers.

Glass container earnings had improved because of worldwide consolidation of facilities, while "significant progress" had been made towards implementing the group's strategy of expansion in the health care industry.

Owens-Corning Fiberglas, the world's biggest manufacturer of glass fibre products, declared net profits of $34.8m, or $1.16 a share in the third quarter, against $28.98m, or $1.01 a share in the same period of last year.

Sales rose to $806m, compared with $743.5m.

Fluor to net $180m in California property sale

BY WILLIAM HALL IN NEW YORK

FLUOR Corporation, the international engineering and process plant construction company, has agreed to sell its Californian headquarters to Tramell Crow, the big U.S. real estate developer for $340m.

Fluor, which recently cut its dividend and reported a two-thirds drop in net income to $22.9m, in the first nine months of its financial year, will realise an after-tax gain of approximately $180m on the deal when it is completed next year. Part of the gain will be recognised over ten years.

Under the terms of the deal, Fluor will retain a participating interest in the overall development of its Irvine headquarters complex and will continue to lease its present facilities.

The company said that its world headquarters and southern Californian engineering centre would remain at Irvine, which is about 50 miles south-east of Los Angeles.

Mr David Tappan, who took over as chairman of Fluor last month following the death of Mr J Robert Fluor, who had headed the company for 22 years, said that the deal would provide for further development of the 160-acre complex. Further proceeds would be used to enhance Fluor's financial flexibility by "generating a substantial amount of cash for general corporate purposes, including the further reduction of long-term debt."

The proceeds from the sale should boost Midland Bank's capital base. According to analysts at de Zoete & Bevan, the London stockbrokers, it will raise Midland's free shareholders funds to 2.5 per cent of total assets from 2.1 per cent.

That would put it alongside NatWest and only slightly below Lloyds, the most strongly capitalised of the four big British clearing banks.

● Crocker National, the loss-making U.S. offshoot of Britain's Midland Bank, is to sell its San Francisco headquarters to Prudential Insurance Company of America for an after-tax profit of $185m.

The $385m in cash, which Prudential has agreed to pay, compared with the $425m Crocker sought when it put the property up for sale this year, represents a handsome profit on its five-year investment in the San Francisco complex.

Crocker will recognise e $85m after-tax gain on completion of the deal. The remaining $100m gain will be amortised over the 15-year term of Crocker's lease of the complex.

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Baxter Travenol income falls 31%

By William Hall in New York

BAXTER TRAVENOL, the U.S. health care products group, has reported a 31 per cent drop in its third-quarter net income to $39.7m or 28 cents a share. The group blamed the downturn on the continuing decline in U.S. hospital admissions and the U.S. Government's cost containment efforts.

Sales in the latest three months were marginally lower at $465.9m Domestic sales fell 4 per cent to $318.1m in the third quarter, while overseas sales rose 5 per cent to $147.8m.

For the nine months, Baxter Travenol's net income is 23 per cent lower at $122.6m and sales are 2 per cent down at $1.34bn. Fully diluted earnings a share for the nine-month period are 21 per cent lower at 84 cents.

The company said that as a result of the difficult business conditions it did not expect 1984's full-year earnings to exceed those of 1983.

W. German retailer set for public issue

BY JOHN DAVIES IN FRANKFURT

THE STEADY stream of stockmarket launchings is continuing in West Germany, with Asko Deutsche Kaufhans, the retail group, gearing up for a public share offer.

The Saarbrücken-based group, which had sales revenue of DM 1.74bn later year, is to make a public offer of non-voting preference shares through a banking consortium led by Deutsche Bank. Details are to be disclosed next week.

Asko has been rapidly building up business, with sales in the first eight months of this year 10 per cent up on a year ago. Its activities include retailing of clothes and "do-it-yourself" handyman materials.

The offer follows closely the launching of Krones, the Bavarian mechanical engineering concern, through a consortium headed by Commerzbank.

Krones, a family business, is described as the world's leading supplier of automatic labelling machinery. The offer of non-voting preference shares at a price of DM 460 a share is aimed at raising DM 64.4m.

The share offer by Schmalbach-Lubeca, the packaging manufacturer, has been oversubscribed and closed yesterday, a day earlier than envisaged. The issue, arranged by a bank consortium headed by Deutsche Bank, was to raise DM 138.5m.

The number of companies newly admitted to the bourse in West Germany for official or unofficial trading is already larger than last year, which saw a big increase after years of little activity.

Texas Air places $600m Boeing order

By Our Financial Staff

TEXAS AIR, the Houston-based airline holding company, has placed a $600m order for 24 new Boeing 737-300 aircraft and has an option to acquire 21 more aircraft from the Seattle aerospace company.

Texas intends to lease 12 of the new 737s to Continental Airlines, its 85 per cent-owned subsidiary, which has been in Chapter 11 reorganisation since September last year.

The leasing deal will require approval by the U.S. bankruptcy court handling Continental's affairs.

Continental has an option to lease an additional six of the new aircraft.

Financing is being arranged through Boeing and General Electric of the U.S., which will make the engines.

Mead profits surge to $48m in quarter

BY PAUL TAYLOR IN NEW YORK

MEAD, the Ohio-based forest products group, yesterday reported a sharp surge in third-quarter net earnings, which reflects higher sales, and a 31 cents-a-share gain resulting from changes in tax laws.

The company said its net earnings from continuing operations increased to $48.2m or $1.56 a share from $16m or 55 cents a share in the year-ago quarter on sales that grew to $706.1m from $624.6m.

In the 1983 third quarter, $10m in income from discontinued operations and an extraordinary $900,000 gain made final net earnings of $26.9m or 93 cents a share. That included a 38 cents-a-share gain from the sale of businesses and a debt-for-equity exchange.

For the first nine months of 1984, net earnings were $115.9m or $3.76 a share, against just $11.5m or 40 cents, on sales up from $1.8bn to $2.1bn.

Mr Burnell Roberts, chairman and chief executive, said Mead's businesses continued to benefit from improved economic conditions and operating performance in the third quarter. Demand for coated publishing paper remained strong but in the uncoated paper sector, while demand was better than last year, new domestic capacity and imports caused accumulation of stocks and lower prices.

The strong dollar had made it difficult to sell paperboard overseas, resulting in rising stocks, and in general terms has made it increasingly difficult to compete

Chapman in stationery expansion

By Andrew Fisher in London

GP INVERESK, the British subsidiary of Georgia-Pacific of the U.S., ist to sell its stationary division to Chapman Industries of London for an undisclosed sum.

Chapman will in turn sell two of the companies in the division – H. J. Chapman, which distributes stationary annd manufactures folders and files, and Printers Supplies – to Cartwright Brice, an envelope and stationery company in the Hillsdown Holdings group.

Chapman Industries will keep the other company in the division, Inveresk Stationery, which makes envelopes, and combine it with its own envelope activities.

The GP-Inveresk stationery division employs 530 people and trades at a profit.

Kaiser falters after loss

By Our Financial Staff

THE EARNINGS recovery at Kaiser Aluminum and Chemical in the first half of this year was halted in the third quarter, mainly because of a $60.7m loss on discounted operations, as reported in later editions yesterday.

Net loss for the three months jumped to $73.2m, from $36.8m or $1.88 per share against 86 cents.

Kaiser, the third largest integrated aluminium producer in the U.S., shows a nine-month loss of $26.1m or 61 cents, compared with $116.9m, or $2.72, last time.

Third-quarter revenue was $840.3m ($655.3m) taking the nine-month total to $2.37bn ($1.84bn).

CONCERN OVER SCALE OF JOHNSON MATTHEY'S LOSSES

Making sure the lifeboat floats

BY DAVID LASCELLES IN LONDON

JOHNSON MATTHEY Bankers is now safely in the hands of the Bank of England after a dramatic rescue last week. Since Britain's central bank made clear that no public money would be used to prop up JMB, what happens if its losses turn out to be even greater than feared and wipe out what few reserves it still has?

That is the main question facing the Bank of England and British financial institutions as the authorities try to fit out the lifeboat launched four days ago. The fact that the full extent of JMB's losses is still unknown calls for extra precautions.

The Bank plainly hopes that JMB's own resources will be adequate. JMB seems, on paper at least, to have reserves of £155m-£170m ($190m - $210m). None of its losses has yet been accounted for. Those will amount to £100m, if not considerably more.

JMB's resources consist of its capital, which is variously estimated at £105m - £120m plus the £50m injected as part of the rescue by Johnson Matthey PLC, its former parent. Contrary to the impression created by last week's statements by the Bank of England, none of JMB's loans has yet actually been written down, and probably will not be until the picture comes clearer.

If the estimates made during the rescue are correct, JMB should come through with £50m left of its capital, underpinning a balance sheet whose totals will be somewhat lower than the £2bn or so it reported in its last accounts in June.

To protect itself against further losses, the central bank is also putting pressure on other banks to guarantee whatever additional losses JMB suffers as it works its way out of its troubles.

It is looking for about £80m, about half of which would be supplied by the four remaining brokers in the London bullion market: Rothschilds, Samuel Montague (which is part of Midland Bank), Sharps Pixley (owned by Kleinwort Benson) and Mocatta (part of the Standard Chartered Group). The rest would be guaranteed by other merchant and commercial banks.

According to those involved in the negotiations yesterday, basic agreement on the deal has been reached, but details such as the terms and duration of the guarantees remain to be settled. The Bank is also hoping to persuade other banks to join.

The exercise is a classic example of self-interest at work. Banks know that by propping up JMB they are bolstering the City of London in general, although there is some grumbling.

The guarantees would apply only to losses on JMB's commercial loan book, and not its gold dealing business, which has been operating profitably. Even so, there seems to be some confusion among the participating banks as to whether the arrangement would actually land them with losses of their own if the worst came to the worst.

However, if things did turn out that badly, it would be the end of JMB. Its reserves would have been wiped out leaving little alternative but to liquidate the business. What is not clear is whether the Bank would set aside a portion of JMB's capital to support the bullion business.

Heirs act on Disney holding

By Terry Dodsworth in New York

TWO OF THE leading family shareholders in Walt Disney Productions, the California-based film and entertainments group, have engaged a New York investment bank to examine ways in which their interests can be "more effectively" represented.

Mrs Lillian Disney, the widow of the founder, and Mrs Sharon Disney Lund, her daughter, control about 5.6 per cent of the company. Their joint holdings were valued at about $108m at the recent market price of around $57 a share.

The two women declared their move in a filing with the Securities and Exchange Commission, in which they said they had asked Dillon Read to look after their interests.

Their move comes shortly after the secretive Bass family of Texas expanded its holdings in Disney to almost 25 per cent. So far, Mr Sid Bass, the leader of the Bass family interests, has given no indication of what he wants to do with the Disney holding, although there is some speculation that he may take the company private.

During the recent flurry of speculative activity in Disney, whose shares have been bought over the last six months by a broad spectrum of well known Wall Street raiders, the Disney family has appeared to play a passive role.

Revised bid for U.S. rail group

BY OUR FINANCIAL STAFF

THE BID battle for Milwaukee Road, the U.S. railroad that filed for bankruptcy in 1977, has intensified with Chicago & Northwestern Transportation, the Illinois railroad, submitting a new offer which it values at $786m.

The offer increases the portion of its bid covered by cash, notes, shares and other considerations by $210m. The other parts of the bid cover the assumption of $420m of obligations.

Chicago & Northwestern has been bidding against Soo Line, which is controlled by Canadian Pacific, since Milwaukee Road filed under Chapter 11.

In September the bid by Soo Line, which is valued at $570m, was approved by the Interstate Commerce Commission. U.S. bankruptcy judge Thomas McMillen is due to rule on the matter on October 29.

Westinghouse lifts earnings

BY OUR NEW YORK STAFF

WESTINGHOUSE Electric boosted third-quarter net earnings by 13 per cent from $115.5m to $130.8m or from 65 cents to 75 cents a share. Strong sales and higher profit margins in its core energy and advanced technology divisions aided results.

Group sales advanced by 12 per cent from $2.28bn to $2.55bn.

Mr Douglas Danforth chairman, commented that prospects for further sales growth and continuing economic expansion were "encouraging".

At the nine-month stage, Westinghouse shows a gain of 20 per cent from $312.2m, to $375.3m or from $1.76 to $2.13 a share in net income, with sales 6 per cent up.

For the whole of last year, the group, which takes the bulk of its profits from the manufacture of electrical generating and transmission equipment, earned $449m on sales of $9.5bn.

Mr Danforth said order rates had risen in all group sectors, with the strongest rate of improvement in the energy and advanced technology divisions.

INTL. COMPANIES & FINANCE

Robert Cottrell on new products from the leading maker of calculators

Casio spearheads printer revolution

CASIO COMPUTER Company has been one of this summer's strongest-performing stocks in Tokyo, trading recently above Y1,600 against a level of around Y1,200 in June, and Y1,300 in May, when the Tokyo market as a whole was at its all-time high.

The company, which was formed in 1957, is best-known as the world's largest manufacturer of calculators: it accounts for almost half of all Japanese calculator production. However, the recent attraction for investors has been the emergence of new products showing that the company can take the technology developed in its now-mature calculator and watch businesses, notably the use of liquid crystal displays (LCDs), and apply it in other major fields.

Casio's major new product, unveiled last month, is its "liquid crystal shutter" (LCS) printer. Casio says the world printer market, a beneficiary of the boom in office and home computers, was worth Y680bn ($2.75bn) in 1983, and is growing at 30 per cent annually. Shipments of the LCS printer are due to begin next spring. Analysts say Casio is in the vanguard of a new generation of printer technologies, which are moving away from "impact" printing, using a daisy-wheel or dot-matrix print boads, and towards techniques approximating to those of plain-paper copiers.

The company's LCS printer produces its image using a liquid crystal filter to control rays of light which hit a rotating, photosensitive drum. Two other Japanese manufacturers, Sanyo and Sharp, are leading the development of printers using light-emitting diodes to project an image on to a rotating drum. Hewlett Packard and Canon favour laser beams.

According to "Random Access Japan," a research publication of the Tokyo office of stockbrokers Jardine Fleming, new-generation printers will start making major inroads into traditional printer markets in the course of next year.

A more tentative Casio product is its flat liquid-crystal colour television screen. It demonstrated for the first time last week a prototype six-inch screen, and is aiming for a mass-produceable 12-inch wall-hanging screen by the end of next year.

The company is also likely to launch next year a miniature liquid crystal display colour television, with a two-and-a-half-inch screen. Seiko, a major manufacturer of liquid crystal display wristwatches, launched the world's first pocket-sized LCD colour television in spring this year, with a one-inch screen. Casio believes that Seiko's product is, at Y85,000, too expensive, and is likely to shoot for higher sales at a lower price, perhaps around Y60,000.

Casio's mainstream calculator business may now be reaching the limits of innovation: its credit card-size calculator is as small, certainly as fragile, as any user is likely to want. Casio also announced last week a credit-card sized radio. The company is now researching how best to direct its mass-production facilities to the potential market for "smart cards"—credit and identity cards containing microchips allowing them to record and supply data for complicated transactions. A market research subsidiary has been set up in the U.S., with actual marketing likely to start by the end of next year. Smart cards can be turned out on Casio's existing calculator production lines.

The company has not been pushing hard into the computer market, though it is now working on a portable personal model with a liquid crystal display. LCD portables are used mainly as word processors. Several manufacturers are now introducing models with 80-character, 16-line displays, four times the size previously available.

Casio is not one of Japan's industrial giants. Its consolidated sales this year are likely, on the basis of its first-half performance, to slightly exceed the officially-forecast Y220bn—making it roughly one-quarter the size of Sony Corporation, or one-fifteenth the size of Matsushita Electric, in sales terms. Consolidated pre-tax profits, for the year to March 1985 are forecast at Y21bn.

But Casio has made a heavy commitment to research and development. Mr Katsuhiko Yamaguchi, the planning and management chief, says one-quarter of the parent company's 3,600 staff are employed in R and D. The parent company accounts for roughly half total group staff including manufacturing and marketing subsidiaries.

GROUP SALES BREAKDOWN (in $m)

	1980	1981	1982	1983	1984
Calculators	325	393	374	382	414
Watches	134	272	254	266	284
System equipment and other items	47	70	108	149	187

(Years to March 20)

EVOLUTION OF CALCULATORS SINCE 1957

Year	Model	Weight (kg)	Price ($)	Production (units/month)
1957	14A	130	2,146	100
1965	001	17	1,481	500
1969	AS-A	6.8	487	7,000
1972	Mini	0.35	57	150,000
1977	LC-81	0.031	30	1.2m
1983	SL-800	0.012	26	2.5m

GM denies closedown rumours

By Anthony Robinson in Johannesburg

GENERAL MOTORS' South African subsidiary, GM (SA), has categorically denied persistent rumours that it either intends to close down its Port Elizabeth assembly operation or to begin joint production with Nissan.

Like most other South African volume car operations, General Motors has been hard hit by the sharp fall in demand which has afflicted the industry since the General Sales Tax was raised from 7 per cent to 10 per cent in July.

GM halted production at its manufacturing and assembly plants last week and has introduced a four-day working week in all its plants. Nissan is also suffering from over-capacity and shut its plants for two weeks at the start of this month.

Excess capacity and poor market prospects for the foreseeable future has caused short-time working and layoffs to spread to component and accessory manufacturers and has also led to a spate of production rationalisation talks in the highly fragmented motor assembly industry.

Last month Ford and Amcar, the Anglo American Corporation motor subsidiary, announced that they were "exploring matters of mutual interest."

Carter Holt in Australian pulp mill plan

By Dai Hayward in Wellington

CARTER HOLT, the New Zealand forestry and timber company, plans to build a A$200m (U.S.$167m) pulp mill in South Australia if its bid for South Australia Perpetual Forests, the forestry group, is approved by the Australian Foreign Investment Review Board.

The New Zealand company has made a NZ$44m (U.S.$21.5m) bid to gain control of the South Australian group.

Carter Holt has long-term contracts with Japan and has the possibility of extending timber chip and pulp exports to that country but cannot supply them from its existing timber resources in New Zealand.

South Australia Perpetual Forests has about 68,000 acres of forestry land in South Australia and Victoria. The proposed pulp mill would provide about 300 jobs in forestry production and shipping.

Carter Holts bid is presently with the Foreign Investment Review Board awaiting a decision.

Jardine Fleming confronts MAS

BY CHRIS SHERWELL IN SINGAPORE

SENIOR executives of Jardine Fleming, the Hong Kong-based finance group, the Singapore merchant bank operation of which was suddenly closed down last week, yesterday sought further clarification of the move from officials of the Monetary Authority of Singapore (MAS), the island state's quasi-central bank.

It was the first face-to-face meeting between the two sides since it became apparent in May that the Singapore authorities were extremely unhappy with Jardine Fleming. However, there is still no clear indication of whether the bank is going to appeal against the MAS decision.

The authorities have accused the bank, which is a joint-venture between Jardine Mathesen of Hong Kong and Robert Fleming of London, of London, of incompetence in its assistance to Keppel Shipyard in its costly takeover of Straits Steamships last year, and in its advice to minority shareholders of Singapore Land over the purchase of five ships in 1981-82. The group is also said to have infringed the law by allowing a credit facility to its managing director in Singapore.

However, it is clear that the real bone of contention concerns the Straits Steamships deal, which has proved an embarrassing mistake for Keppel — a Government-controlled company.

The Monetary Authority itself is refusing to amplify the unusually detailed statement issued when it announced its decision last Thursday.

The statement has been interpreted by the local Press in such a way that Jardine Fleming is considering whether to launch libel suits.

The group is also being urged by some Singapore banks to publish a detailed response to the Government's allegations and yesterday's meeting with the MAS was the result of direct intervention by other banks. Some bankers are privately expressing fears that the Government action means they are vulnerable themselves and may lack adequate recourse in the event of a decision against them.

Australian bank boosts earnings

SYDNEY — Commonwealth Bank of Australia has announced profits of A$236.4m (U.S.$197m) after tax and extraordinary items for the year to June 30, up 55 per cent from the A$152.8m of 1982-83.

The government-owned bank, which is one of the four biggest in Australia, said a favourable economic environment, improved interest rate margins, and tight control on expenses were significant factors in the profit increase.

Commonwealth said profit from commercial bank operations rose to A$105.8m from A$69.2m and those from savings bank operations to A$132.1m from A$68.2m.

Mr Leslie Crisp the chairman noted that the bank had significant structural changes during the year, under which the savings bank became a wholly-owned subsidiary of the commercial banking arm, which was renamed from Commonwealth Trading Bank of Australia.

Total deposits for the group rose to A$21.1bn at the end of June from A$18.2bn the year before. Total assets were A$30.5bn compared to A$26.2bn.

The bank's loans totalled A$16.1bn compared to A$13.9bn and the provision for loan losses was raised to A$94m from A$78m.

Interest income increased to A$3.1bn from A$2.7bn. CBFC, the bank's finance company subsidiary, made profits of A$17.5m, up from A$16.7m.

The Commonwealth Development Bank, another subsidiary, showed a profit of A$25.1m, up from A$23.1m.

● Broken Hill Proprietary (BHP) said it is to begin the construction immediately of a second continuous slab caster at its Port Kembla, New South Wales, steelworks at a cost of A$146m.

On completion of the 2.2m tonnes annual capacity facility in 1988, virtually all Port Kembla products will be continuously cast, BHP said.

BHP's first continuous slab caster, with an annual capacity of 1.5m tonnes, was commissioned at Port Kembla in 1979. Agencies

INTL. COMPANIES & FINANCE

WestLB to omit dividend despite bright forecast

BY JOHN DAVIES IN FRANKFURT

WESTDEUTSCHE Landesbank (WestLB), the largest publicly owned bank in West Germany, has confirmed that it intends to omit a dividend again on this year's results to strengthen reserves and risk provisions.

WestLB, which is owned by the state government, savings banks and other public authorities in North Rhine-Westphalia, last paid a dividend on its 1979 results.

The bank said yesterday that operating profits were again running at a high level and should be close to last year's DM 1.1bn ($350.4m).

WestLB announced recently that partial operating profits – which basically consist of personnel and materials costs, less running expenses – amounted to DM 372m in the first half of this year, 4.4 per cent below the same period last year.

It has been widely expected that WestLB would set aside its earnings again to cover risks and bolster its financial position. One reason is its involvement in Deutsche Anlagen-Leasing (DAL), which has suffered heavy losses and write-offs in its leasing business in West Germany and abroad.

After the strong improvement in its operating earnings last year, WestLB had been hoping to resume dividend payments to its public owners, but changed course because of its commitments through DAL and other areas of difficulty. Two executives, Dr Heinrich Viefers and Herr Vinzenz Grothgar, then left the bank's management board.

Herr Friedel Neuner, WestLB's chief executive, said earlier this year that the management and public shareholders were agreed that the bank's internal strength must take priority over dividend payments.

DAL, in which WestLB has a 30 per cent stake made risk provisions on its 1982 results of DM 253m, of which DM 224m had to be met by its owners. Its risk provisions for 1983 are expected to be much higher.

In addition to WestLB, DAL's shareholders are the Landesbank Rheinland-Pfalz (26.6 per cent), Bayerische Landesbank (16.7 per cent), Hessische Landesbank (16.7 per cent) and Dresdner Bank (10 per cent).

Austin Rover launches plan to expand dealer network

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT, IN LONDON

AUSTIN ROVER, the volume car making subsidiary of Britain's state-owned BL group, has started a campaign to recruit between 750 and 1,000 more dealers in continental Europe as part of a programme to boost its share of the European market outside the UK from about 1.9 per cent to 2.8 per cent.

The company is also close to completing plans for U.S. sales of the luxury car – codenamed XX – it has jointly developed with Honda of Japan. Mr Trevor Taylor, Austin Rover's sales and marketing director, said sales in the U.S. should reach 25,000 to 30,000 a year in the high-profit, luxury European car import sector where Audi, BMW, Mercedes, Volvo and Jaguar do well.

"Britain represents 75 to 80 per cent of our sales volume and that is dangerously high. We oeed to spread the risk, particularly to that 7½m car market on the continent," Mr Taylor said.

Austin Rover wants to reduce its domestic share of output to between 60 and 65 per cent of the total. If its plans to improve sales in continental Europe – where it currently bas 1,400 dealers – are successful, in three to four years its registrations in Europe outside the UK will reach between 150,000 and 170,000 annually.

This year the company hopes to sell 90,000 cars in cootinental European markets, up from 80,000 in 1983.

Mr Taylor said that Austin Rover had nearly completed its four-year car model renewal programme and dealer network development scheme in the UK, where cootracts with more than 200 of the compaoy's 1,640 dealers were ended in 1982-83 to make the total conform better with expected sales and to return those remaining to profitability.

Acquisitions sought by Dow Chemical

By John Wicks in Zurich

DOW CHEMICAL, the major U.S. chemicals group, is actively looking at a number of major acquisitions involving expenditure of up to $2bn, said Mr Paul Oreffice, the president, speaking in Zurich yesterday.

The balance-sheet was, he said, the best in at least 15 years and liquidity was extremely good. Debt ratio had been reduced to 40 per cent, aod a further improvemeot was likely.

For this year, Mr Oreffice forecast an improvement in profits. Estimates that earoings would rise to above $3 a share —after $1.71 in 1983—were realistic, he said. Sales should come close to $12bn, against $10.59bn in 1983.

Dow Chemical is currently engaged in expanding in the field of speciality products and services, while remaining stroog io basic chemicals aod plastics. Mr Oreffice said that these specialities, which this year accounted for about 40 per cent of earnings, should io the next few years reach a share of 50 per cent.

The company already does 52 per ceot of its business outside the U.S.. While Mr Oreffice poioted to difficulties brought about by the strength of the dollar, be indicated that this share might rise further—possibly to some 53 per cent.

Among other foreign openings, Dow is oow lookiog at the possibility of a joiot veoture in China for the "production of a single product."

Mr Oreffice indicated that dividends would return to their traditiooal growth pattern once there was proof of a "solid upswing" in corporate net earnings.

Enka expects earnings improvement

By Our Financial Staff

ENKA, the West German chemicals and fibres arm of Akzo of the Netherlands, reports an increase of 18 per cent in sales for the first nine months of 1984 and says profits this year will show a substantial improvement.

Nine-month sales rose to DM 3.4bn ($1.1bn). Sales for the whole of 1984 are forecast to grow by 17 per cent and profits, according to Enka, will rise at a rate in excess of that. Last year, net profits totalled DM 91m, against DM 21m in 1982.

Enka said much of the earnings improvement stemmed from the exceptionally good situation in industrial business, while sales of textiles expanded in line with the generally improved chemical business in Europe this year.

Continued good sales in industrial as well as strong exports are likely to offset the slightly weaker sales on Western European markets expected for the remainder of the year and in 1985, Enka says.

Motor-Columbus in strong revival phase

BY JOHN WICKS IN ZURICH

MOTOR-COLUMBUS, the Swiss engineering and construction group, has climbed out of the red in the year to June, with a net profit of SwFr 10m ($3.9m). It expects to maintain that earnings level during the current year.

The company, which has been a heavy loss-maker in recent years, mostly as a result of troubled overseas construction work, has already declared its intention to pay a dividend for 1983-84, its first for five years.

Apart from satifactory results from group activities in the electricity, civil engineering and construction sectors, Motor-Columbus benefited from what Mr Michael Kohn, chairman, called the "ending of blood transfusions to Mobag."

Over the past 10 years, that subsidiary had cost the company SwFr 270m, largely because of the cancellation of a single project in Iran, for which it had been general contractor. Mobag was totally written off last year at a cost of SwFr 71m.

Machine tool accord forged

BY DAVID MARSH IN PARIS

ANOTHER link in the chain of Franco-Japanese industrial partnerships has been forged with a collaboratioo agreemeot in machine tools between the French Intelautomatisme group and Hamal, the third largest Japanese maker of vertical machining equipment.

Intelautomatisme is one of the two "poles" of the French machine-tool industry set up by the Government to help bring recovery to the struggling sector. The company, however, has faced increased difficulties, and the Japanese link is regarded as a key element in the effort to restore its fortunes.

Compensation for Docutel

By James Buxton in Rome

OLIVETTI, the Italian data processing equipment maker in which Americao Telephone and Telegraph has a 25 per cent stake, is to pay a minimum of $16m to its U.S. associate, Docutel, over the next three years.

The payments will compensate Docutel for the fact that it will be handling the sale of much less Olivetti equipment than had previously been expected.

Olivetti owns 46 per cent of Docutel, which is primarily a manufacturer of bank automation equipment. Until the Italian company agreed earlier this year to sell AT aod T about $250m worth of products a year for distribution on the U.S. market, Docutel had the exclusive right to market Olivetti products in the U.S.

Olivetti has now agreed to pay Docutel 1 per cent of the gross revenue which it will obtain from selling products to AT aod T, guaranteeing a minimum paymeot of $16m.

Last year Docutel incurred a loss of $17.7m, on sales of $80m.

U.S. QUARTERLIES

DATAPOINT
Data processing and office equipment

Fourth quarter	1983-84 $	1982-81 $
Revenue	164.6m	137.5m
Op. Net profits	5.5m	4.26m
Op. Net per share	0.27	0.21
Year		
Revenue	600m	540m
Op. Net profits	28.10m	8.09m
Op. Net per share	1.37	0.40

GRAND UNION
Supermarkets

First quarter	1984-85 $	1983-84 $
Revenue	790m	1.05bn
Net profits	†9.46m	18.32m
Net per share	–	

†Loss

GREAT ATLANTIC & PACIFIC
Grocery chain

Second quarter	1984-85 $	1983-84 $
Revenue	1.37bn	1.19bn
Net profits	11.7m	7.2m
Net per share	0.31	0.20
Six month		
Revenue	3.09bn	2.7bn
Net profits	22.9m	16.4m
Net per share	0.61	0.44

HOUSTON NATURAL GAS
Diversified energy

Fourth quarter	1983-84 $	1982-83 $
Revenue	444.9m	569m
Op. Net profits	11.1m	20.8m
Op. Net per share	0.32	0.60
Year		
Revenue	2.14bn	2.53bn
Op. Net profits	122.1m	140.1m
Op. Net per share	3.17	3.42

JEWEL COMPANIES
Retailing

Second quarter	1984-85 $	1983-84 $
Revenue	1.79bn	1.71bn
Op. net profits	24.3m	24.8m
Op. net per share	1.85	1.89
Six months		
Revenue	3.14bn	2.99bn
Op. net profits	40.8m	38.1m
Op. net per share	3.05	2.95

JOHN LABATT
Brewer

First quarter	1984-85 C$	1983-84 C$
Revenue	–	–
Net profits	25.2m	23.1m
Net per share	0.89	0.84

MARRIOTT
Hotels, food service

Third quarter	1984 $	1983 $
Revenue	834.2m	691.3m
Net profits	38.2m	36.7m
Net per share	1.44	1.32
Nine months		
Revenue	2.4bn	2bn
Net profits	97.2m	84.2m
Net per share	3.61	3.04

ROHR INDUSTRIES
Jet engine pods

Fourth quarter	1983-84 $	1982-83 $
Revenue	148.5m	145.9m
Net profits	10.4m	7.05m
Net per share	1.33	0.94
Year		
Revenue	613.8m	569.1m
Net profits	37.8m	24.1m
Net per share	4.32	3.68

INTL. COMPANIES & FINANCE

Canadian credit unions chip at the traditional four financial pillars

BY BERNARD SIMON IN TORONTO

A GROUP of Canadian financial institutions is chipping away at the business of better-known financial institutions in the country. The credit unions of the country at large and the caisses populaires, as their equivalents are known in Quebec Province, are mostly financial co-operatives recycling the savings of small communities into home mortgage and other loans to their members.

They are mounting a challenge, nevertheless, to the traditional four pillars of the country's financial system—the banks, trust companies, insurance companies and securities dealers.

Some of the individual credit unions have grown into substantial entities — despite the vagaries which the movement as a whole has faced—and the movement taken in total bas become a significant force in the Canadian financial set-up.

There are currently some 3,200 credit unions and caisses populaires with a total of 9.5m members. The biggest, Vancouver City Savings, has 130,000 members, assets of C$1.3bn (US$990m), and is among the country's top 40 financial institutions.

Assets of the credit union movement totalled C$37.1bn at the end of 1983, equal to 10.1 per cent of chartered bank assets. That proportion does not tell the full story of the unions' influence in certain parts of the country and in some financial services.

In Quebec Province for instance, the caisses populaires hold 37 per cent of individual savings deposits, almost a third of consumer loans and 44 per cent of mortgages. Totat assets of the Desjardins Group of caisses populaires, based in Quebec City, now exceed C$20bn. The group's interests also include Insurance and a trust company.

The unions are learning to pool resources

One illustration of the challenge being mounted by the credit unions is that they have Installed 308 automatic teller machines, compared with 1,800 at banks but only 41 at trust companies. Two credit unions in Saskatchewan aim to be the first financial institutions in Canada to instal a point-of-sale system which instantly credits a merchant while debiling a customer's savings or cheque account when a purchase is concluded at a cash register. Their project, involving eight co-operative retail outlets, is due to come into use before the end of the year.

The unions' primary role is the provision of financial services to individual members. Roughly half their assets consist of mortgages and they offer a range of retail services, including savings accounts, debit cards and personal financial counselling. They also help to finance small businesses and Canada's powerful co-operatives which play an important rôle in farming, fishing and retaiting, among other sectors.

The unions are learning to pool their resources, enabling them to participate in larger loans. They are loosely linked through provincial "centrals," which oversee the unions' activities in each province, and through the Canadian Co-operative Credit Society (CCCS), a Federally regulated body which provides and co-ordinates liquidity for the national credit union network.

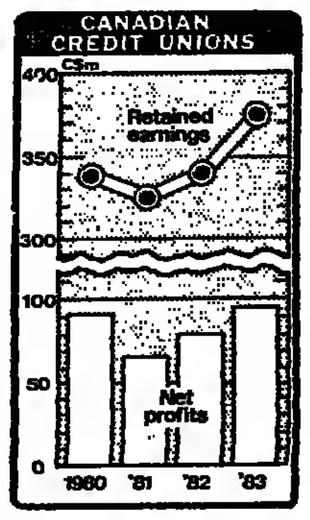
Such links have been used to syndicate loans. One of the largest was a C$23m financing to expand facilities at a co-operative farm implement manufacturer in Winnipeg.

The CCCS is funded mainly by provincial centrals, which channel surplus funds to the society for investment in the money market and to support the overall liquidity of the credit union system. Since 1982 the CCCS' resources have been boosted by Federal Government deposits, which reached 14 per cent of the society's liabilities at the end of 1983. The CCCS has borrowed substantial sums on International capital markets and last year became a full member of Canada's cheque clearing system.

Credit unions—in common with most other Canadian financial institutions—complain that they bave been losers in the gradual blurring of functions between the four pillars. They argue that the banks' aggressive move into consumer lending in the past 20 years bas been mainly at the credit unions' expense. In return, the unions want to be allowed to expand their commercial business.

Local credit unions are permitted to lend to corporate customers, but their competitiveness is limited by restrictions on provincial centrals and the Co-operative Credit Society in financing non-union members and borrowers outside the co-operative movement. Without the support of centrals and the CCCS, the unions are thus confined to small advancee which seldom exceed about C$2m.

The CCCS has asked the Federal Government to amend the Co-operative Credit Associations Act, enabling it to earmark up to 20 per cent of its assets (which totalled C$1.1bn at the end of last year) for corporate loans, with a ceiling for individual loans of 5 per cent of its shareholders' equity. Last December, the society's equity stood at C$118m.



One CCCS official says: "We aren't trying to cross the lines. We aren't trying to get trust powers, or Insurance powers or brokerage powers. We just want our piece of the market."

To the consternation of the credit unions, Ottawa has given higher priority to dealing with other players in the financial system, notably the foreign banks. The Credit Associations Act was last changed in 1974 and the unions will probably lose no opportunity to press their case with tha new Conservative Government.

The large number of small credit unions has created problems for the authorities as well as the unions themselves in recent years. Questions have been raised about the handling of depositors' funds and the way in which some credit unions found themselves in difficulties when interest rates shot up in the early 1980s.

One Ontario union has come under fire for allegedly using its resources to help to finance a luxury resort in "cottage country" north of Toronto. The CCCS is a major creditor of Ontario's largest farm co-operative, which is currently battling against financial difficulties.

Credit unions in Alberta, suffering from the deep recession in the province's property market, have posted a combined loss of over C$90m in the past two years. To help to overcome these difficulties, unions have been encouraged to pool their resources. The number of credit unions, in Alberta has fallen from over 200 to 130 since the mid-1970s.

The same trend is evident in Canada as a whole. Last year 108 unions were either wound up or merged with others. Mr George May, chief executive of the Canadian Co-operative Credit Society, predicts that numbers will shrink still further, thus bringing greater stability to the system. "We have some consolidation to go through," he says.

The unions' operating results have recovered in the past year or two as interest rates have steadied. While combined net income (excluding caisses populaires) dropped from C$91m in 1980 to C$65m the following year, it moved up to C$95m in 1983. Retained earnings, a measure of the unions' reserves, rose by 10.3 per cent last year to C$375m.

Mr May says that credit union members "understand that there is a strong integrated network of credit unions and strong support systems." None the less, the movement's difficulties during the recession, a welter of critical publicity and the growing proportion of commercial loans have prompted new measures to reassure customers and regulators. CCCS has raised its target for increases in loan loss provisions from less than 5 per cent a year to 10 per cent.

The society's liquidity structure has been changed and new guidelines now limit the proportion of CCCS loans and fixed-term investments committed to specific parts of the country and individual sectors of the co-operative movement.

UK COMPANY NEWS

Housebuilding lifts Higgs and Hill to £3.23m

REFLECTING a good first half by its housebuilding activities pre-tax profits of Higgs and Hill rose from £2.83m to £3.23m over the six months to end-June 1984.

The group's progress is expected to continue and a satisfactory outcome for the full year is looked for.

The interim dividend is being lifted from 4p to 4.5p net on the capital enlarged by the one-for-four rights issue of last February. At the time of the issue the directors said they would expect to at least maintain this year's total at 1983's rate of 11p on the bigger capital.

First half earnings rose by 1.6p to 16.3p per 25p share.

Mr Brian Hill, chairman and chief executive, says the results now announced reflect the decision to invest further in housing activities—these now represent a significant contribution to group profits.

Turnover for the period improved from £81m to £92m. Apart from housebuilding, the group has interests in construction and property development and investment.

Mr Hill says difficulties are still prevailing in the construction industry and there are no immediate signs of improvement.

However, shareholders are told that the building company has secured its required turnover for the current year and will carry forward a "satisfactory" workload into 1985.

Good progress has been made on the two major contracts in Trinidad and Barbados and the group is continuing to market for new work in the Caribbean and Middle East. The chairman points out that trading overseas remains "very competitive."

The property company has begun a number of developments to provide accommodation for offices and high technology demands. Further schemes are under consideration.

In both England and Scotland good progress has been made in the lettings of properties.

Abroad, letting of the group's developments in new towns west of Paris have been encouraging and several buildings have been sold to owner-occupiers or institutional investors.

Tax for the opening half took £1.49m (£1.47m) and was calculated at 46.25 per cent (52 per cent). It is anticipated that the rate for the full year will be significantly lower.

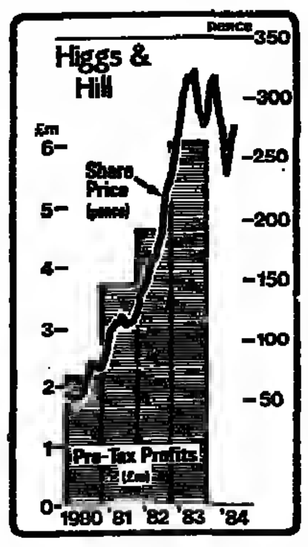
After minorities of £19,000 (£9,000) and same-again preference dividends of £6,000 profits available for ordinary shareholders emerged at £1.75m (£1.36m).

Reported earnings of 15.2p for the first half of 1983 were adjusted following the rights issue. Taxable profits for 1983 as a whole reached £6.06m.

INDEX TO COMPANY HIGHLIGHTS

● **comment**

Higgs and Hill investors have had a rather disappointing time since accepting the rights issue shares in February at 275p. Yesterday the shares slipped 2p to 270p on results which were broadly in line with the markat'a expectations. It ia all a reflection on the uncompromising ground of the UK construction industry from which Higgs and Hill has to dig out the bulk of its profits. Orders are a little better now than a year ago, but margins are just as tough: at least the group is shielded from the worst troughs in demand by the 40 per cent of conatruction turnover derived from management contracting. There aeem, however, to be signs of progress from housebuilding where the company is continuing to expand its operations selectively, though it is not giving ton much away at this atage.



Overseas, major construction projects in the Middle East and in the Caribbean are on schedule and expected to make large profit contributions next year and 1986. Tha group should make £7m pre-tax this year, putting the shares on a multiple of 5.5, assuming a 30 per cent tax charge. The attractive 6½ per cent prospective yield should support the shares at this level.

Blockley's rights is Tarmac sale opportunity

BLOCKLEY'S, the Telford maker of facing bricks and pavoirs, is raising £1m through a share placing to help pay for a new brick-making factory, and Tarmac have taken the opportunity offered by Blockley's fund-raising move to dispose of its 17.5 per cent in the Shropshire company.

The double announcement yesterday shattered any market hopes of a takeover bid from Tarmac and brought Blockley's shares down 30p to 550p.

The 215,000 new shares and Tarmac's 261,734 shares acquired earlier this year from the C. H. Beazer building group, are being placed with institutions at 500p each, but existing shareholders have the chance to buy them on the basis of one new share for seven old.

Blocqley'a forecast a final dividend of 13p for the current year, making 21p io total (15.5p).

Blockley's new plant, which is due to be commisioned next summer on a site next to its existing factory, is to make simulated band-made bricks, a new product for the company. Initial capacity will be 15m bricks a year, with the possibility of expanding to 30m. It special bricks and pavoirs.

Of the £5.6m total cost of the acheme, £3.5m will come from a higher bank overdraft and £1m from a term loan from the 3i venture capital company which is a substantial sbareholders in Blockley's.

Blockley's, in which the founding family and the directors have interests totalling 34 per cent, made pre-tax profits of £1m on sales of £4.68m last year, and recently announced interim profits of £760,000 for the first balf of 1984.

This rapid revival was clearly anticipated by the C. H. Beazer group which built up a stake last year, only to pass it on to Tarmac last May when it sold its building materials division.

Mr Graeme Odgers, Tarmac group managing director, said the Blockley's shares were sold because the group did not want to bang on to a small minority stake.

Asked if Tarmac bad considered a bid, he said: "one did look at the various possibilities." But he hinted that Tarmac bad not pursued the possibility of a takeover because Blockleys bad been determined to stay independent.

Spirax-Sarco ahead by 49% with boost from U.S. operations

CONFIRMING THE confidence at the last year end that 1984 would be a year of real progress, Spirax-Sarco Engineering has seen profits before tax advance by some 49 per cent in the first six months.

The midway result was ahead by £1.92m at £5.82m, including a full contribution from the U.S. subsidiary, acquired in April last year, against a comparable two months. This was £1.77m (£184,000) at the trading level.

The pre-acquisition group continued to perform satisfactorily, says Mr A. C. Brown, the chairman, particularly overseas where the majority of operations made real progress in a variety of economic circumstances, "some of them adverse."

The group—an international energy control concern—saw turnover increase from £25.84m to £37.37m. In the last full period turnover of £59.18m produced taxable profits of £10.99m.

Shareholders are to receive an effective increase of 0.3p to 2p net per share in the interim dividend, following last year's 5.7p total. Earnings are shown 2p higher at 7.8p.

The chairman adds that order intakes continue at an improved level, and he expects the group to produce a satisfactory year's performance, while continuing investmant in future growth, especially in North America.

Group trading profit emerged at £5.63m against £3.62m, to which net interest added £197,000 (£287,000).

Tax deductions were up from £1.49m to £2.09m to leave net profits at £3.72m against £2.41m. After an allocation of £34,000 (£38,000) to the abare ownersbip acheme and minority interests of £60,000 (£56,000) profits at the attributable level came out at £3.64m (£2.32m). The increased dividend will take £938,000 (£796,000).

The chairman adds that in the U.S. the group is continuing to increase its investment in management effort and revenue expenditure to raise the level of marketing and selling support to that enjoyed by the rest of the organisation worldwide. A marketing department bas been formed to give this greater level of support.

It has also formed an engineering support group for the sales department and placed further empbasia upon technical education

● **comment**

Spirax-Sarco'a purchase of Sarco from White Consolidated 18 montha ago looka to be as good a deal today as it did then. But the Britiah company bas had to invest heavily to bolster the U.S. operation's marketing structure and that is depressing current profits which, at £1.77m in sterling terms, are lower than the previous six months for a business with no appreciable seasonality. Allow for what has happened to the sterling/dollar conversion rate and the company's assertion that the underlying Sarco business is still beading forward and it looks aa if the cost of that marketing affort is fairly substantial. And it could be a year or two before the group can expect any return. Elsewbere the core UK operations are putting up their usual steady performance. The only exception is Drayton which has been riding high on the back of consumer apending—it makes valves for central heating. That cannot continue but it should help the group towards £13½m thia year for a prospective p/e of 12½ at 218p. It is a aolid counter-cyclical stock which ia attracting increasing attention from funds weeding through their engineering portfolio.

Offshoots' loss checks Elbar Ind.

ANNOUNCING a "disappointing" result for the six months to June 30 1984, the directors of Elbar Industrial attribute the deepening of losses, from £178,000 to £326,000, to certain operating subsidiaries which have been disposed of since that date.

However, they do not feel that the major beneficial effects of disposal will be felt in the current year. Last year the group—a vehicle and agricultural machinery dealer—halved its losses to £1.07m, a result which was then regarded as a first step to recovery. The directors now expect the disposal of loss-making offshoots to produce improving results for the future.

There is no restoration of the dividend, last paid in respect of the 1980 year. Losses per share, after an extraordinary debit £128,000 (nil) relating to disposals and a closure, are given as 9.93p (3.9p).

Elbar is ultimately owned by Societe Generale de Belgique.

Turnover rose from £36.32m to £39.22m, producing lower operating profits, at £317,000 against £507,000.

Slough will use £40m domestic bond issue to reshuffle debt

BY ALISON HOGAN

Slough Estates, one of the UK's leading industrial property companies, is raising £40m in the domestic corporate bond market with the issue of a 35-year secured first mortgage debenture stock.

The funds will be used to rearrange the company's borrowings reducing the amount of existing variable rate debt, now approaching £100m, by longer term fixed rate debt.

Volatile interest rates have deterred a number of companies who might otherwise consider entering the domestic corporate bond market.

Slough has been planning to reschedule its debt for several months "just waiting for suitable conditions," according to Mr Wallace Mackenzie, managing director of the company.

The terms of the issue have been widely approved by stockbrokers. "The balance sheet will be mncb better with the transfer from short to longer term debt, yet there will be no sacrifice on the interest charge at around 11.6 per cent," said brokers Scrimgeour Kemp Gee.

The stock has been issued at a margin of 0.95 per cent above that on Treasury 13½ per cent stock 2004-08 at 3 pm yesterday. Tha coupon is 11½ per cent, the issue price £97.006 and the gross redemption yield 11.605 per cent. The stock is payable as to £25 per £100 nominal on Wednesday October 17 1984 with the final instalment due on March 29 next year.

MEPC and Brixton Estates have been the main representatives from the property sector in the corporate bond market since it reopened in September 1982 after almost a decade of inactivity.

Most of the sector are thought to want interest rates down to around 10 per cent before they venture into further long-term fixed rate debt, particularly companies with lower yielding retail portfolios.

London Sbop Property Trust proved an exception when it raised £12m through a debenture placing earlier this month. However, its portfolio of High Street retail properties yields a higher than average 8½ per cent.

Slough Eatate's stock has been secured against properties worth £66m equal to approximately 1.65 times the nominal value of the stock. The income cover at £7.3m is also equal to around 1.6 times the gross annual interest payable on the issue.

Slough Estates successfully completed its merger with Guildford Property and Allnatt London Properties last December and has net assets of £459.3m. Analysts expect a boost in net assets per share of between 5p and 10p above the present level of 180p per share.

Pre-tax profits for the half year to June including five months from Allnatt were £15.1m.

Up to £4m of Slough's stock will be available at the issue price in the market until 12.00 noon on Friday, October 12 1984 and it is expected that dealings in the stock will commence at 2.00 pm on that day for deferred settlement on October 18 1984.

Rodime sees £48m revenue

Rodime, the successful Scottish-based maker of rotating disc computer memories, estimatea that aales bave more than doubled during the year to September 30 1984.

The company, formed in 1980 by a group of ex-Burroughs managers, will not formally publish its annual profits until next month. But it revealed some details of the expected rasults yesterday to clarify U.S. press reports that it was anticipating a three-fold sales increase.

Mr Colin Grant, Rodime's corporate controller, said he expects to announce that full-year revenues rose from £19m to around £48m.

Earnings per share are estimated to bave risen from 57.6p to around 90p.

Mr Grant said a 30 per cent rise in revenues for the current year is achievable, although be did not expect earnings per share to grow at the same pace. Rodime's shares have been quoted on the U.S. over-the-counter market since 1982, and it is not listed in the UK.

Recent issues attractive

TWO COMPANIES in fields as diverse as frozen food and burglar alarms yesterday proved to be a major success with investors.

Iceland Frozen Foods (IFF), the cbain of 81 frozen food centres which is joining the full market, reported that its offer for sale bad attracted applications for 113 times the 3.83m shares available at 210p each. There were 114,255 applicants, who would have put up about £910m for the £8m worth of shares being offered.

Scusa Inc, the U.S. subsidiary of Security Centres (Holdings), which is making an acquisition and moving from the USM to a full listing, revealed that its offer for sale bad been oversubscribed 11.2 times.

Its offer for 11.6m shares at 100p each had received 14,960 applications for 141.5m shares.

N. M. Rothschild, merchant bank acting for IFF, bas rejected a number of multiple applications, and will allot the shares on the following basis:

Applications for 100 to 900 shares will go into a ballot for 100 shares; for between 1,000 and 4,500 will go into a ballot for 200 shares; for 5,000 to 9,000 will be balloted for 300 shares; for 10,000 to 45,000 will go into a ballot for 500 shares; and for 50,000 to 95,000 will be balloted foc 800 shares. Applicants for 100,000 or moce will receive about 0.83 per cent of shares applied for.

The Scusa issue attracted preferential applications from 1,256 shareholders and Security Centres for 20.1m shares. Those applicants will get 3.5m shares. Kleinwort, Benson, merchant bank acting for Scusa, will allocate the rest as follows:

Applications for 200 to 1,000 shares will go into a weighted ballot for 200 shares; for 1,500 to 4,500 shares will go into a weighted ballot for 300 sbares; and for 5,000 shares and over will get 8 per cent of the amount applied for.

Dealings in both companies' shares are expected to open next Tuesday. Letters of acceptance will be posted on Monday.

Retraction by CPU Computer

IN AN unusual move, CPU Computers, the USM-quoted distributor and maker of computer equipment, yesterday retracted part of the annual profits statement it made earlier this week.

The group said on Monday that its taxable profits had risen by 34 per cent to £1.9m in the year to June. The statement said that an exclusive agreement to distribute Shugart disc drives in Germany and the UK had been terminated by Sbugart.

CPU bad commenced legal proceedings to claim damages from Shugart for breach of contract, following earlier discussion regarding compensation to be paid to CPU.

The board had, therefore, made a £250,000 extraordinary provision against stocks of Shugart disc drives on hand at year-end. Its statement went on erroneously to say that in the absence of this provision, pre-tax profits would have increased by 44 per cent to £2.0m. CPU now says that the concluding sentence sbould be deleted.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corre-sponding div.	Total for year	Total last year
R. Cartwright ......int	1.5†	Nov 29	1.5	—	5.75
City of Aberdeen	12.25	Nov 22	10.25	18.5	14.5
Evered ......int	0.7†	Nov 22	nil	¶	0.5
Fogarty ......int	1.6‖	Nov 16	1.6	—	4.02
Higgs & Hill ......int	4.5†	Nov 30	4	—	11
House of Lerose ......int	3	Dec 7	3	—	8
Lee Cooper ......int	1.4	Nov 28	1.4	—	3.68
Ldn & Strathclyde	1.5	Dec 12	1.5	2.35	2.35
Midland Marts ......int	1.25‡	Jan 2	1.25	—	4
Safeguard Ind	3.3**†	Nov 7	4.1	5.8**	6.6
Sanderson Murray	3	Nov 20	2	3	2
Spirax-Sarco ......int	2†	Nov 30	1.7	—	5.7
Time Products ......int	0.25	Feb 1	nil	—	1
Wiggins Gp	nil	—	2.15	1.25	3.4

Dividends shown pence per share net except where otherwise stated. * Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ USM stock. § Unquoted stock. ¶ Total 2.1p net forecast. ‖ On capital increased by conversion of deferred shares. ** For 10 months to July 31, 1984.

Public Works Loan Board rates

Effective October 10 1984

Years	Quota loans repaid by EIP†	Quota loans repaid A‡	Quota loans repaid at maturity§	Non-quota loans A* repaid by EIP†	Non-quota loans A* repaid A‡	Non-quota loans A* repaid at maturity§
1	—	—	11[illegible]	—	—	11[illegible]
Over 1, up to 2......	11[illegible]	11[illegible]	11[illegible]	12[illegible]	12[illegible]	12[illegible]
Over 2, up to 3......	11[illegible]	11[illegible]	11[illegible]	12[illegible]	12[illegible]	12[illegible]
Over 3, up to 4......	11[illegible]	11[illegible]	11[illegible]	12[illegible]	12[illegible]	12[illegible]
Over 4, up to 5......	11[illegible]	11[illegible]	11[illegible]	12[illegible]	12[illegible]	12[illegible]
Over 5, up to 6......	11[illegible]	11[illegible]	11[illegible]	12[illegible]	12[illegible]	12[illegible]
Over 6, up to 7......	11[illegible]	11[illegible]	11[illegible]	12[illegible]	12[illegible]	12[illegible]
Over 7, up to 8......	11[illegible]	11[illegible]	11[illegible]	12[illegible]	12[illegible]	12[illegible]
Over 8, up to 9......	11[illegible]	11[illegible]	11[illegible]	12[illegible]	12[illegible]	12[illegible]
Over 9, up to 10 ...	11[illegible]	11[illegible]	11[illegible]	12[illegible]	12[illegible]	11[illegible]
Over 10, up to 15...	11[illegible]	11[illegible]	11	12[illegible]	11[illegible]	11[illegible]
Over 15, up to 25...	11[illegible]	10[illegible]	10[illegible]	11[illegible]	11[illegible]	11[illegible]
Over 25	10[illegible]	10[illegible]	10[illegible]	11[illegible]	11	11

* Non-quota loans B are 1 per cent higher in each case than non-quota loans A. † Equal instalments of principal. ‡ Repayment by half-yearly annuity (fixed equal half-yearly payments to include principal and interest). § With half-yearly payments of interest only.

Company Notices

UK COMPANIES

Non-recurring costs plunge Wiggins Group £1.6m in the red

NON-RECURRING ITEMS of "unusual magnitude" have resulted in a substantial loss ot Wiggins Group, contractor and developer of estates, and motor dealer for Citroen, Fiat, Peugeot, Talbot and Volvo.

Group pre-tax losses for the year to March 31 1984 increased from £187,000 to £1.59m—at the interim stage, the losses were £433,000 against profits of £330,000 in the corresponding period last year.

Mr S. P. Hayklan, the chairman, says the non-recurring costs—together totalling £1.72m—arose because certain development properties have been written down to their estimated net realisable values; provision has been made for non-recurring contracting losses arising, principally, from final settlement on a contract completed in 1981; provision has been made for guarantee liabilities in respect of development projects, and it has been decided to withdraw from manufacturing operations after incurring substantial losses.

Contracts have been exchanged for the sale of part of this business, and the directors consider that full provision has been made in the accounts for the net closure costs.

Because of the group's adverse results, the directors say it is "impossible" to recommend payment of a final dividend. An unchanged interim of 1.25p net has been paid—last year's total was 3.4p.

Group turnover for the year improved from £43.44m to £59.99m, but the cost of sales jumped from £38.1m to £54.07m, leaving a gross profit of £5.29m compared with £5.33m. Administrative expenses were up from £3.95m to £5.22m, leaving a net operating profit of £699,000 (£1.38m), which included £970,000 (£1.38m) profit from continuing operations, and a loss of £271,000 this time from discontinued operations.

There was an exceptional debit of £936,000, and interest payable amounted to £1.35m against £1.57m. The directors point out that the accounting policy for interest has been changed to reflect the fact that development property values do not necessarily increase as funding costs rise, and the figures for last year have been re-stated to facilitate comparison.

The group has entered into negotiations to realise a substantial part of its commercial and industrial property interests which have taken longer than anticipated to let and sell. The directors feel it may be in the best interests to accelerate certain disposals in order to secure a progressive reduction in the level of borrowing.

There was a tax credit of £259,000 against a charge of £109,000, an extraordinary debit this time of £500,000, and after dividends of £100,000 (£255,000), the deficit transferred to reserves amounted to £1.93m (£551,000).

● comment

Wiggins' results were released after the market closed last night and it is small wonder that the group wants dealers to reflect carefully on what can only be regarded as a dreadful year. Three months late, the p & l takes in everything, bar the kitchen sink, which can be shown either above or below the line. The upshot is an enormously geared balance sheet whose vulnerability depends largely on the carrying cost of the Berkshire Centre project. If Wiggins can get out of that site at something better than book value—the current talks with BOC could be a pointer—and can keep pushing up the proportion of good margin private work at the expense of its historical public sector foundations, it may be that the resilience of housebuilding and motor dealerships can fuel the hoped-for recovery. Shareholders, uncertain whether to unload now, might just as well flip a coin in the air. On one side, the family and Newarthill should stay loyal and assets are 54p per share. That may be some comfort but on the reverse the construction is looking increasingly competitive, housebuilding is interest-rate led and the mere existence of those big friendly investors takes out any bid premium. The residual businesses look tolerably secure, at least at the operating level, but understandably nervous shareholders might consider putting a stop on the shares, say 10 points lower down, in anticipation of the market's full appraisal. At 42p, however, it does seem rather pointless to bail out now and incur, what for almost everybody, must be a significant capital loss.

Senior Eng.

In our issue of October 10 we incorrectly stated that the interim dividend from Senior Engineering was wholly uncovered by earnings. In fact, the dividend for the six months to June 1984 of 0.75p net was largely covered by earnings per share of 0.7p net.

BASE LENDING RATES

A.B.N. Bank	10½%	■ Hill Samuel	§10½%
Allied Irish Bank	10½%	C. Hoare & Co.	†10½%
Amro Bank	10½%	Hongkong & Shanghai	10½%
Henry Ansbacher	10½%	Kingsnorth Trust Ltd.	10 %
Armco Trust Ltd.	11 %	Knowsley & Co. Ltd.	11 %
Associates Cap. Corp.	10½%	Lloyds Bank	10½%
Banco de Bilbao	10½%	Mallinhall Limited	10½%
Bank Hapoalim	10½%	Edward Manson & Co.	11½%
BCCI	10½%	Meghraj and Sons Ltd.	10½%
Bank of Ireland	10½%	Midland Bank	10½%
Bank of Cyprus	10½%	■ Morgan Grenfell	10½%
Bank of India	10½%	National Bk. of Kuwait	10½%
Bank of Scotland	10½%	National Girobank	10½%
Banque Belge Ltd.	10½%	National Westminster	10½%
Barclays Bank	10½%	Norwich Gen. Tst.	10½%
Beneficial Trust Ltd.	11½%	People's Tst. & Sv. Ltd.	12 %
Brit. Bank of Mid. East	10½%	R. Raphael & Sons	10½%
■ Brown Shipley	10½%	P. S. Refson & Co.	10½%
CL Bank Nederland	10½%	Roxburghe Guarantee	11½%
Canada Permn't Trust	10½%	Royal Bk. of Scotland	10½%
Cayzer Ltd.	10½%	Royal Trust Co. Canada	10½%
Cedar Holdings	11 %	■ J Henry Schroder Wagg	10½%
■ Charterhouse Japhet	10½%	Standard Chartered	‖10½%
Choulartons	11½%	Trade Dev. Bank	10½%
Citibank NA	10½%	TCB	10½%
Citibank Savings	¶11½%	Trustee Savings Bank	10½%
Clydesdale Bank	10½%	United Bank of Kuwait	10½%
C. E. Coates & Co. Ltd.	11½%	United Mizrahi Bank	10½%
Comm. Bk. N. East	10½%	Volkskas Limited	10½%
Consolidated Credits	10½%	Westpac Banking Corp.	10½%
Co-operative Bank	*10½%	Whiteaway Laidlaw	11 %
The Cyprus Popular Bk.	10½%	Williams & Glyn's	10½%
Dunbar & Co. Ltd.	10½%	Wintrust Secs. Ltd.	10½%
Duncan Lawrie	10½%	Yorkshire Bank	10½%
E. T. Trust	11 %		
Exeter Trust Ltd.	11 %		
First Nat. Fin. Corp.	13 %		
First Nat. Secs. Ltd.	12 %		
■ Robert Fleming & Co.	10½%		
Robert Fraser	11 %		
Grindlays Bank	‡10½%		
■ Guinness Mahon	10½%		
■ Hambros Bank	10½%		
Heritable & Gen. Trust	10½%		

■ Members of the Accepting Houses Committee.
* 7-day deposits 7.25%, 1 month 8.00%. Fixed rate 12 months £2,500 9.75% £10,000, 12 months 10.00%.
† 7 day deposits on sums of under £10,000 7¾%, £10,000 up to £50,000 8%, £50,000 and over 8¾%.
‡ Call deposits £1,000 and over 7¾%.
‖ 21-day deposits over £1,000 8½%.
§ Demand deposits 7¾%.
¶ Mortgage base rate.

MINING NEWS

Gold Fields staying with the business it knows

BY KENNETH MARSTON, MINING EDITOR

NO DOUBT considering the mistakes made by other mining groups in diversifying into other activities and mindful of its own disastrous experience with the ill-fated U.S. Skytop Brewster drilling rig business, London's Consolidated Gold Fields still intends to stick to the business it knows best—the extractive industry.

Mr Rudolph Agnew, the chairman, stresses in the annual report that opportunities will continue to be sought for new investment "in existing product lines and in connected areas of activity." He believes that "the medium to long-term outlook for mining is very much more satisfactory" after the still persisting poor conditions of recent years.

He says that Gold Fields has the advantage of financial strength to follow a long-term strategy because of its low-cost production of gold, tin, coal and construction materials.

Of these, gold is still the biggest source of earnings and new mines in the U.S. and Australia, starting up in 1985-86, will raise the group's annual gold output by over 10 tonnes.

The other major earner is the construction materials side which did well last year despite adverse economic conditions. In the final quarter the market became less buoyant and Mr Agnew suggests that the previous upsurge in public-sector work during late 1982 and early 1984 "was not unconnected with planning for a General Election in 1983."

This has not stopped the group from embarking on a £70m four-year programme to upgrade the UK quarrying and aggregates processing facilities. Other projects include modernisation of the U.S. "mini" steel mill in Tennessee.

Mr Agnew gives no forecast of prospects for the current year, to next June, although he may be tempted to do so at the London meeting on November 8. In the meantime, the signs hold little promise of much change from the 1983-84 profits performance.

Denison's Egyptian oil project

CANADA'S Denison Mines is to bring to production oil properties in Egypt's Western Desert. This follows the resolution of a long dispute with the Egyptian Government, reports Bernard Simon from Toronto.

Denison said that two subsidiaries, the Agypetco Corporations, would go ahead immediately with the development of two leases in the Meletha concession and the construction of a 190-km oil pipeline to the Marine terminal at El Hamra on the Mediterranean coast. A company official put the cost of the project at between C$50m and C$100m (£30.8m and £61.7m).

The company has also agreed to resume seismic work and exploratory drilling at the West Razzak concession, 60 km east of the Meletha area. Should oil be discovered here it will be sent to the coast along the same pipeline to be used for the Meletha field.

According to Denison, output from the Meletha leases is expected to to reach about 20,000 barrels a day within the next 18 months and may be increased later.

The two Agypetco companies have held the Meletha concession, which covers 395,000 acres, since 1978. Development was halted when the Egyptian authorities claimed that one of two leases had lapsed because of failure to meet production targets.

The Canadian company's other oil and gas interests include properties in Spain, Greece and Italy as well as in Canada and the U.S.

Malaysian tin output still being restricted

THE PRODUCTION of tin concentrates from the leading groups in Malaysia is still being restricted by the production and export curbs imposed under the terms of the sixth International Tin Agreement.

A total of 18 dredges were closed under the restrictions during the month of September, while other dredges were affected by shutdowns for repairs.

The largest group, Malaysia Mining Corporation (MMC), produced 352 tonnes of concentrates during the month, down from 416 tonnes in August. The latest figure brings the cumulative total for the first eight months of the financial year to 3,264 tonnes, compared with 3,830 tonnes at the same stage of last year.

Berjuntai, the second largest producer, saw its output for September fall to 213 tonnes, against August's 219 tonnes, bringing the total for the first five months of the company's financial year to 1,071 tonnes. This compares with 855 tonnes at the same stage of 1983, demonstrating that Berjuntai has been less affected by the restrictions than most of the other producers.

	Sept tonnes	Aug tonnes	July tonnes
Aokam	52	46	94
Ayer Hitam	73	80	114
Berjuntai	213	219	214
MMC	352	418	407
Sungei Besi	44	47	47
Tanjong Herb...	24	14	49
Tronoh	41	38	44

UK ECONOMIC INDICATORS

ECONOMIC ACTIVITY—Indices of industrial production, manufacturing output (1980=100); engineering orders (1980=100); retail sales volume (1978=100); retail sales value (1980=100); registered unemployment (excluding school leavers) and unfilled vacancies (000s). All seasonally adjusted.

	Indl. prod.	Mfg. output	Eng. order	Retail vol.	Retail value*	Unemployed	Vacs.
1983							
2nd qtr.	99.9	94.6	93	107.3	119.7	2,987	135.0
3rd qtr.	101.9	96.0	97	108.3	124.0	2,950	160.0
4th qtr.	103.4	97.7	100	110.3	151.4	2,941	162.0
1984							
1st qtr.	102.5	97.0	100	108.5	123.5	2,998	147.0
2nd qtr.	100.1	97.4	101	111.7	130.7	3,026	154.0
3rd qtr.						3,076	165.1
January	103.1	97.0	100	107.7	123.4	2,976	148.0
February	102.7	96.6	101	109.5	122.4	3,005	145.0
March	101.7	97.3	100	108.3	124.5	3,012	147.0
April	100.6	97.4	105	112.3	131.4	3,011	148.0
May	99.6	96.9	97	110.7	130.6	3,028	156.0
June	100.1	97.8	100	112.1	130.3	3,038	159.0
July	99.4	96.8		111.2	133.9	3,055	164.0
August				110.9	132.8	3,074	162.0
September						3,099	170.0

OUTPUT—By market sector; consumer goods, investment goods, intermediate goods (materials and fuels); engineering output, metal manufacture, textiles, leather and clothing (1980=100); housing starts (000s, monthly average).

	Consumer goods	Invst. goods	Intmd. goods	Eng. output	Metal mnfg.	Textile etc.	Housg. starts*
1983							
2nd qtr.	95.9	90.5	106.1	93.0	104.1	89.4	20.0
3rd qtr.	98.1	91.9	108.4	94.7	104.8	90.3	17.5
4th qtr.	98.4	93.6	110.3	96.2	108.8	92.6	15.9
1984							
1st qtr.	97.1	92.3	109.8	95.0	113.8	89.7	16.5
2nd qtr.	98.0	93.2	104.6	95.7	110.8	90.7	17.8
January	97.0	93.0	111.0	96.0	115.0	89.0	13.9
February	97.0	91.0	111.0	94.0	112.0	89.0	16.6
March	97.0	93.0	108.0	96.0	115.0	91.0	19.0
April	98.0	93.0	105.0	96.0	109.0	90.0	16.5
May	98.0	92.0	104.0	95.0	108.0	91.0	17.5
June	97.0	94.0	105.0	97.0	116.0	91.0	19.4
July	98.0	93.0	103.0	95.0	105.0	88.0	18.7
August							15.2

EXTERNAL TRADE—Indices of export and import volume (1980=100); visible balance; current balance (£m); oil balance (£m); terms of trade (1980=100); exchange reserves.

	Export volume	Import volume	Visible balance	Current balance	Oil balance	Terms trade	Resv. US$bn*
1983							
2nd qtr.	100.3	106.6	−460	− 89	+1,551	98.1	17.71
3rd qtr.	99.3	106.6	−246	+828	+1,521	99.2	17.90
4th qtr.	107.4	112.7	+ 5	+596	+2,123	98.6	17.82
1984							
1st qtr.	109.5	113.2	− 59	+472	+2,316	97.4	16.75
2nd qtr.	108.3	118.9	−1,193	−283	+1,548	97.1	15.51
January	101.8	111.7	−324	−147	+719	98.1	17.78
February	115.4	110.2	+492	+669	+821	97.4	17.98
March	111.3	117.9	−227	− 50	+776	96.9	16.75
April	104.4	122.4	−817	−514	+380	96.6	15.94
May	108.5	115.0	−279	+ 25	+512	96.8	15.84
June	112.0	117.3	− 97	+206	+656	97.8	15.51
July	102.8	108.6	−137	+113	+784	97.4	15.37
August	111.9	123.8	−568	−318	+417	96.9	15.35
September							15.26

FINANCIAL—Money supply M0, M1 and sterling M3, bank advances in sterling to the private sector (three months' growth at annual rate); building societies' net inflow; HP, new credit; all seasonally adjusted. Clearing Bank base rate (end period).

	M0 %	M1 %	M3 %	Bank advances %	BS inflow £m	HP lending £m	Base rate %
1983							
2nd qtr.	7.4	15.3	14.6	15.0	1,071	2,540	9.50
3rd qtr.	3.9	8.5	8.4	24.6	2,098	2,646	9.50
4th qtr.	7.9	16.4	8.8	18.9	2,745	2,818	9.00
1984							
1st qtr.	4.1	10.1	8.2	13.6	2,609	2,918	8.50
2nd qtr.	4.6	24.5	11.1	18.9	1,795	2,872	9.25
January	5.1	7.6	11.5	12.3	926	969	9.00
February	3.7	7.8	8.6	12.4	954	1,007	9.00
March	3.0	14.9	7.1	16.1	729	936	8.50
April	3.2	23.4	7.4	17.3	683	914	8.50
May	4.3	28.3	11.4	19.0	482	1,031	9.13
June	6.2	22.7	14.3	20.6	630	927	9.25
July	0.8	11.4	8.4	17.0	608	977	12.00
August	4.0	11.4	7.1	11.0	133	932	10.50
September							10.50

INFLATION—Indices of earnings (Jan 1980=100); basic materials and fuels, wholesale prices of manufactured products (1980=100); retail prices and food prices (1974=100); FT commodity index (July 1952=100); trade weighted value of sterling (1975=100).

	Earnings*	Basic matls.*	Whsale. mnfg.*	RPI*	Foods*	FT* comdty.	Strlg.
1983							
2nd qtr.	148.0	123.6	124.2	333.7	306.3	272.89	84.3
3rd qtr.	150.9	124.7	125.1	338.0	310.4	288.14	84.9
4th qtr.	153.2	128.4	126.7	341.8	316.4	298.50	83.2
1984							
1st qtr.	153.6	133.5	129.0	343.9	321.7	308.67	81.7
2nd qtr.	155.9	134.1	132.0	350.9	329.1	305.06	79.8
3rd qtr.		133.6	132.8			288.95	78.0
January	152.7	133.5	128.0	342.6	319.8	295.75	81.9
February	153.7	134.2	128.8	344.0	321.4	291.34	82.2
March	154.2	132.9	130.2	345.1	323.8	308.67	81.0
April	154.7	133.8	131.7	349.7	327.3	305.89	80.1
May	155.7	134.3	132.1	351.0	329.4	312.45	80.0
June	157.5	134.1	132.2	351.9	330.0	305.06	79.4
July	159.6	133.5	132.5	351.5	328.5	289.86	78.4
August		132.8	132.7	354.8	326.9	294.16	78.4
September		134.3	133.3			288.95	77.2

* Not seasonally adjusted.

Encouraging interim profit increase at Lee Cooper

Lee Cooper Group reports marginally higher first half taxable profits of £5.27m, against £5.17m, following the downturn experienced in the preceding six months.

Lord Marsh, group chairman, says these results are encouraging because although international trading conditions remain difficult, initiatives taken over the past year are beginning to show positive benefits.

Expanding on this, he says that the decision to exploit the group's French design facilities has already proved beneficial, and while maintaining its position as a major manufacturer of western jeans, the company has added a range of over 30 leisure wear garments.

"Initial reaction to the new line has been extremely favourable," says Lord Marsh.

Lord Marsh, chairman of Lee Cooper Group, with a selection of next year's summar fashion items.

The chairman adds that activities of Lee Cooper Licensing Services continue to expand with the recent *signing* of a new licence agreement in Egypt.

Group profits for the six months to June 30 1984 were attained on turnover ahead by £140,000 to £48.16m.

Stated earnings per share are shown as rising from 13.36p to 14.8p. The interim dividend is being held at 1.4p net. Profits available for distribution amounted to £2.29m (£2.07m), after minorities of £155,000 (£120,000) ond unchanged preference dividend totalling £7,000.

● comment

With first half profits steady, these figures from Lee Cooper hold the promise that last year's adverse trend in the second half has been reversed. This view is based on several factors, not lease that the changing structure of the business is bringing rationalisation benefits. Previously, both design and production functions wers structured on a regional basis, so that the various geographical profit-centres ended up working independently of each other: now, they are being planned and organised centrally, with attendant savings albeit at the expense of some flexibility to cater for local demand. In particular, the long-neglected UK base, a loss-maker of many years standing, is responding well to integration and the new management brush, so much so that the UK may well move into the black oext year. The move into fashioo-type merchandise such as jackets and hlouses is also helping. Taking the broad view a full recovery should be possibte this year given the UK turnround and the absence of any expectional losses this year on licensing operations. The European market, the company's mainstay, should hold its own althougb competition will trim margins. After tax at 50 per cent, £10.9m pre-tax for the year puts the 130p shares on an undemanding prospective multiple of less than 4.

Losses at Fogarty as duvet sales fall

DIFFICULT TRADING conditions for all household textiles particularly for cootinental quilts, bas bceo reflected in a pre-tax loss of £124,000 at Fogarty, Lincoloshire-based home furnishings manufacturer, for the six months to end-June 1984. In the corresponding period *the company made profits* of £616,000.

Sales fell by £1.38m to £14.07m, and the group recognises that it bas to adjust to a permenent reduction in the total size of the UK contnental quilt market. It is therefore embarkiog upon a programme of cost reduction which will ensure a return to profitability in 1985.

There was a 1.66p loss per ordinary 30p share incurred this time, against earnings of 2.57p, but the interim dividend is heing held at 1.6p oo the increased capital. In May the company converted its 6.46m deferred ordinary into 6.62m ordinary shares.

The directors forecast that the group will *show* a *profit* for 1984 oa a whole, the extent of which will depend upon the all important final quarter.

The level of final divideod will he determined by the extent of the profil recovery in 1984 and the prnspects for 1985.

Tax for the first half was bigher al £145,000 against £97,000.

Midway payout resumed as Evered advances 210%

Evered Holdings, engineer, has further distanced itself from the three-year sequence of losses in 1979-81 with a 210 per cent increase in pre-tax profits and a 49 per cent rise io earnings per share in the six months to June 30 1984.

The midway result, including a two-mooth contribution from the retained businesses of lhe Brockhouse group acquired last May, was a rise of £738,000 10 £1.09m, already well above the £609,000 turned in for the last full period. Earnings per share are quoted as 5.8p, np from 3.9p.

The directors have declared an interim dividend of 0.7p net per share—the first interim aince 1979—and restate their intention to lift the total for the year to 2.1p. Last year the single payment came to 0.5p.

Sharply increased turnover, up from £5.6m to £23.01m, produced a more than £1m increase in profits at the operating level to £1.54m (£407,000). Interest charges increased from £55,000 to £454,000, hut Mr Raschid M. Abdullah, the chairman, says that the level of total group borrowings, currently eround £12.5m, is bclog reduced by the rationalisaticn of Brockhousa.

The lax charge for tbe period roae from £15,000 to £281,000 to leave the attributable aurplus at £809,000 (£337,000), from wbich the dividend will absorh £171,000 Retained profits amounted to £636,000 (£337,000).

Mr Abdullah says thal a thorough review of the Brockhouse activities has been undertaken and those on which il was felt an adequate return could not readily be achieved have heen sold, or closed. These disposals and closures have led to a reduction of seven UK activities, the largest being Maxwell Transmissions, and have yielded cash proceeds of apprnximately £750,000 as well as eliminating loss-making husinesses.

A programme for the disposal of surplus property assets of Brockhouse has also been put in hand and offers over £500,000 have heen received for certain of these propertiea. The disposal programme should be largely completed by the middle of 1985 and is expected to yield proceeds in excess of £2m.

The ongoing activities of the Brockhouse group have now formed management teams who bave "clearly defined objectives and disciplines and are committed to achieving auccess for their particular suosidiary." A strong emphasis has been placed on financial controls, containing and reducing production costs, customer awareness and service and achieving an acceptahle return on capital employed.

Brockhouse is now being operaled on a decentralised hasis and the head office has been considerahly reduced. This has eoabled a suhstantial reduction in its size and running.

The directors regard the North American businesses as being in growth areas and are confident as to their future performance.

The existing Evered businesses continuc to make good progress, and the chairmao is confident that the level of returns from these activities can also be acbieved from the Brockhouse businesses, which are already "responding eocouragingly."

● comment

Evered is evidently turning away from the narrow field of metal-bashing and modelling itself consciously along the lines of diversified conglomerates like Hanson and BTR. All the hallmarks are there—the concentratioo on return on capital as the first priority, decenlralisation (which in the case of the Brockhouse acqolsition should be worth over £1m in savings on central office costs), and formidably strict reporting procedures from subsidiaries. Forecasting is at this atage far from easy, particularly given thal Brockhouse (included for two months in thesc figures and producing a slight dilution in earnings per share) had a hook assel value five times that of Evered at the time of purchase. At 130p (down 3p), the shares represeot a punt on the ahilities of the Ahdullah hrothers as they move from metal-hasbing inlo other areas of manufactu:ıng industry, here or in the U.S. Gamblars might find il worth their whlte lo link their fortunes with thoae of a conple of young and amhitious entrepreneurs.

J.W. Spear shows small profit at six months

THE SALE of an investmenl in a loss-making relaled company has eoahled games and toy manufacturer J. W. Spear & Sons to show a small profit at the pre-lax level for the first half of 1984.

After adding io a £20,000 share of relaled companies' profits the group earned £5,000 for the period. In the first half of 1983 the share of associates' losses amounted to £126,000 and left the group £159,000 in the red.

Curreotly, orders are comfortably ahead of the previous year and, barring unforeseeable circumstances, the directors say last year's profits (£239,000 pre-tax) should be "coosiderably" exceeded.

If the profit expeclalions are fulfilled the dividend for the year (1p) will be increased. It is not yet fell appropriate to consider resloriog interims.

Group turnover pushed ahead from £2.55m to £2.73m. Tax accounted for £26,000 (£13,000) and the net loss emerged at £21,000, compared with £172,000.

The intended closure of the Nuremberg, Germany, factory owned by J. W. Speor and Soehne GmbH, in which the group has a trade invesiment, will take place before the end of the year.

Negotiations to acquire the Scrabble trademark and copyright, currently held by related company Scrabble Schutzrechte und Handels, are expected to be completed shortly.

President Entertainments 'comfortably on target'

President Entertainments is comfortably on target to meet is USM prospectus forecast of £750,000 pre-tax for calendar 1984, says Mr Robert Earl, tha chairman and managing director, in his interim statement.

He reports that in the traditionally quleter half of the year to the end of June the company attained taxable profits of £263,146 on turnover of £2.65m.

President, whlcb joined tha USM's ranks via a placing in June, runs five theatre restaurants based on traditional British themes in London and one in Orlando, Florida.

The placing involved a reverse takeover of Offin, a dormant plantations company which was quoted on the over-the-counter market. There are no comparative interim figures for President Entertainments because they bear no relation to existing businesses.

Mr Earl says that UK operations performed well during the first six months and have continued to do so in the second half with bookings currently running at record levels.

The venture in Orlando is now trading profitahly after start-up costs incurred last year, he says, and adds that business volume continues to grow with an increasing exposure to tha tonr and travel industry.

President says it is now planning to open a second venture in Orlando. The company points out that this will be achieved without the *impact of large* start-up costs and no extra central administration charges since both venues can be manged from existing staff levels. Other opportunities are also being examined in the UK.

Groop results for the period under review do not include a full six months trading from the City of London Tavern, which was opened in April.

There is no interim dividend but in accordance with the prospectus forecast the directors intend to recommend a 0.02p payment in respect of the full year.

First half stated earnings per share were 0.28p. Net profits amounted to £143,003, after tax of £120,148, and retained profits came out at £137,803 following an extraordinary debit of £5,200.

Sanderson Murray leaps by over 400%

Better trading conditions, which continued modestly throughout the year to end-Jnne, 1984, have belped Bradford-based woolcombers Sanderson Murray and Elder (Holdings) to raise its taxable profits by over 400 per cenl, from £20,000 to £107,000, on turnover ahead by £812,000 at £5.58m.

Profits were struck after same-again depreciation of £70,000 and lower bank interest of £10,000 against £33,000. Investment income added £46,000 (same) and bank interest £3,000 (£11,000).

Earnings per 50p share were stated at 4.3p compared with 0.1p. The dividend is being lifted by 1p to 3p nel.

Tax took a higher £25,000 against £17,000, aod minorities a same-again £900.

There was an extraordinary credit of £58,140, representing a surplus of £36,140 oo the sale of five acres of land at Newton Abbot net of tax, and £22,000 in respect of a release of deferred tax on the sale of the Fairfield property. Last time extraordinary items took £40,000.

BIDS AND DEALS

Foseco gains roofing foothold

BY CHARLES BATCHELOR

Foseco Minsep's agreement to pay $46.6m (£37.4m) casb for Gibson-Homans of Twinsburg, Ohio, will give the UK supplier of speciality chemicals to tha foundry and construction Industries a major stake in the U.S. roofing products, coatings and adhesives markets.

In Gibson, Foseco will be acquiring the leading U.S. manufacturer of bituminous roofing materials with 14 factnries throughout the U.S. and Canada aand distrihution channels for the products of Foseco's Fosroc divisinn, which supplies the construetion and mining industries.

Gibson had unauadiled net earnings before tax of $t.9m on turnover of $35.9m in the six months ended June 30 1984. In 1983 it bad net earnings of $4.2m on sales of $66.1m.

At the end 1983 Gihson had fixed assets of $8.9m, c urrent assets nf $18.4m, sharebnlders' equity of $16.7m and net borrowings of $4m.

Excluding the convertihle stock Foseco is paying 17 times earoings for Gibson. Mr Peter Wetch, Foseco's chairman said: "We came to the conclusion tbat this was not too much to pay, even if its bigh by UK standards."

Fosroc, third in size nf Fnseco's four divisions, plans tn manufacture large parts nf its existing product range in Glhson's factories over tho next three to four years to estahlish a position in the U.S. huilding maintenance market.

Mr Welch added: "We ohtain a full natinnal manufacturing hase and Candada at a stroke. It is a virtually unique opportunity for Gibson to add to lts salea by the introduction nf our products."

Gihson la Foseco's first major acquisitinn since it paid £40m for the Unlcoro Industries, the UK maker of abrasives and diamond products ln 1980. That purchase initially produced disappointing results and a major since been carried out.

The U.S., Canada and Mexico contributed nearly £81m of Foseco's 1983 world turnover of £398m hut the Fosroc division—with 1983 turnover of £75.4m—has only a limited presence in the U.S.

"Fosroc has a comparatively limited exposure considering the enormous range of huilding chemicals they supply," said one analyst.

"In Gihson they have a company which is more heavily into supplying the small business and retail markets. This is quile a departure from Foseco's normal activity, wbich bas heen the supply of industrial customers."

Foseco has already acquired or obtained rights to 30.5 per cent of Gibson's stock. It has bought all the nuistanding 13½ per cent convertible subordinated notes—representing 13.1 per cent of Gibsnn's fully diluted stock—fnr $6.1m and signed contracts to huy a further 17.4 per cent for $8.1m.

Foseco's $17.50 per share offer bas been agreed in principlo and has heen unanimously recommended by the Gihson hoard hut it still requires shareholder approval and government consents.

Foseco's shares fell 3p to 179p yesterday.

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether the dividends are interims or finals and the sub-divisions shown below are based mainly on last year's timetable.

TODAY

Interims: Advance Services, Aldlund, Empire Stores (Bradford), Farnell Electronics, Fothergill and Harvey, Hambro Life Assurance, Norman Hay, Markheath Securities, New London Properties, Prince of Wales Hotels, Roberts Adlard, Ruberoid, Steel Brothers, TDS Circuits, Telephone Rentals, Ward White.

Finals: Abingworth, Cocksedge, John Maunders Construction, New Central Witwatersrand Areas, C. H. Pearce, Photo-Me International, F. W. Thorpe.

FUTURE DATES

Interims—	
Anchor Chemicals	Oct 18
Fortnum and Mason	Oct 19
Greenbank Industrial	Oct 18
Lilley (F.J.C.)	Oct 24
Michelin Tyre	Oct 15
Securities Trust of Scotland	Oct 17
United Ceramic Distributors	Oct 30
Finals—	
Armour Trust	Oct 15
Audio Fidelity	Oct 25
Concentric	Nov 19
Kent (M.P.)	Oct 12
Transvaal Consolidated Land and Exploration	Oct 26

Britannia Arrow bid speculation

THE SHARE price of Britannia Arrow Holdings cnntinued tn move up sharply, rising 5p to 78p yesterday, and trading in the shares remains livety on bid speculation, even though there is still no evidence nf the identily of any would-be suitor.

Of the two major sharehnlders, London and Manchester Asaurance, holding 8 per cent of Britannia Arrow's equity, stated that it had not even been approached, let alone sold its stake. United Kingdom Temperance and General Provident Institution, holding 22.75 per cent, wnuld make nn comment on the bid specutation.

Mr S. G. Brnoksbank, chairman and managing director nf UK Provident pointed out that his company took a conscious pnlicy decisinn some time ago to invest in financial management cnmpanies since it was felt that these had tremendous growth potential in the wake of the changes taking place in the Stock Exchange and in financial markets.

Besides its stake in Britannia Arrow, UK Provident was involved with another financial management company, GT Management, through its substantial hnldings in the Berry Trust and the Northern Securities Trust.

Indeed, Mr Brookshank pointed out that GT Management looked after specialist part of UK Provident's funds and be did not rule out Britannia Arrow or any nther investment management group managing certaln specialised aspects of its portfolio.

Mr Stuart Gnldsmith, investment director on Britannia Arrow's main board, said yesterday that there were nn indications of any change in sharehnlders structures in the immediate past and heyond that he was not prepared to comment.

GP-Inveresk sells stationery division

GP Inveresk, the UK subsldiary of Georgla-Pacific of the U.S., is to sell its stationery divislon to Chapman Industries of London for an undisclosed sum.

Chapman will in turo sell two of the companies in the division—H. J. Chapman, which distrihutes stationery and manufactures folders and files, and Printers Supplles—to Cartwright Brice, an envelope and slationery company ln the Hillsdown Holdlngs group.

Chapman Industries will keen the other company ln the divislon, Inveresk Stationery, which makes envelopes, and combine it with its own envelope activities.

The GP-Inveresk slationery division employs 530 people and trades at a profit. In January, the company—acquired hy Georgia Pacific for £7m in 1981—announced the closure of several paper mills which had heen makiog losses.

Falcon Industries

Falcon Industries' sbareholding ln Mandarin Resonrces now amounts to 7 per cent of the enlarged equity, and not 14.8 per cent of the equity as reported yesterday.

Further defence salvo by Chubb

By Charles Batchelor

Chnbb, the lncks and safes group, yesterday fired off what it probahly its last salvo in its defence against the unwelcome £179m takeover bid from Racal Electronics, the cnmmunicatinns and defence technology group.

Mr William Randall, Chubh chalrman, said the first six months results showed that Chubb was well on target tn achieve the pre-tax profits forecast of £18m this year.

Racal's final offer—which expires on October 18—represents an increase of only 7.7 per cent and no tonger contaios a cash alternative, Mr Randall said.

He compared the forecast 25.4 per cent rise in Chubh profit with wbat be calculated as a 3 per cent rise for Racal. This hrougbt an immediate rejninder from Racal that Chuhh was taking its forecast out of context.

Racal said it had earlier compared its forecast profits with those of 1978-79—the previous peak in Chuhh's earnings—and said it expected its profits this year to double at the very leasl from that level.

Chubb's shares fell 1p yesterday to 276p, while Racal's fell 4p to 254p.

Hampton sells Dares holding

BY ALEXANDER NICOLL

Hampton Trust has sold, for a £240,000 profit, a 12.9 per cent stake in Dares Estates which it acquired just over a month ago. Hampton is a property investment and energy and minerals exploration group.

Following talks between the two companies, the chairman and managing director of Dares, a property investment and development company, bought the hulk of Hamptoo's shares, increasing their combined interest to 29.9 per cent.

Hampton acquired 4.93m shares from British Land, which itself received them last December in exchange for a portfolio of properties which it sold to Dares.

When the British Land deal was struck, Caparo Properties held an 11.2 per cent stake in Dares. But soon after it was announced, Caparo sold the holding to Mr Peter Jackson and Mr Richard Herbert-Smith, respectively the chairman and managing director of Dares.

The two men have now moved similarly in the face of Hampton's minority stake.

Hampton received £1.33m for the shares, giving it a profit of £240,000 as well as the interim dividend of 0.5p. It bought the shares for 22.2p and sold them for 27.1p. Yesterday, the price rose 1½p tn 22p and Hamptoo's ahare price fell ¼p to 34½p.

Mr Jackson and Mr Herbert-Smith each bought 2.25m sbares, raising their bnldings tn 17.1 per cent and 12.8 per cent respectively. The remaining 425,000 shares were sold in the market.

Mr Herbert-Smith said yesterday that Hampton "didn't want to remain as a passive investor." He and Mr Jackson intended to retain the shares, which would *strengthen the hoard's control* over the group and indicate their confidence in its future, he said.

Abaco pays £0.8m for Choularton

Abacn Investments, the financial services and property group, is to acquire C. P. Choulartnn Sons & Partners, the Mancbester-based licensed deposlt taker, which is to be renamed Provinclal Trust.

The total cash consideration, approximately £810,000, will be paid on completion (to take place hefore the end of October),

LAS forms new offshoot

The Life Association of Scotland, a member of the leading Dutch insurance conglomerate Nationale Nederlanden Gronp, has formed a new subsidiary, LAS Investment Management, to provide lnvestment services for both in-bouse funds and for outside fund management.

An early client of the new subsidiary will be Merchant Investors, a sister UK-based company in the Nationale Nederlanden Group. It will provide the investment management for Merchant Investors' Gilts, UK and North American equity funds.

As well as managing LAS's ln-house traditional life funds, the new company will he responsible for LAS's new unit trust funds due to be launched shortly to compliment the existing unit trust operation through Crescent Unit Trust Managers.

Mr Jim Souness, managing director of The Life Association of Scotland, stated that the comnany's investment team has produced a consistent quality of performance that had kent LAS among the top performers in various independenl surveys.

This new move will offer that investment expertise to a wider market. It will be looking for money to manage from all sources, including segregated pension scheme funds—an area into which life companies are now expanding rapidly.

COMPANY NEWS IN BRIEF

Safeguard Industrial Investments reports a rise from 185.6p to 206.6p in the net asset value nf its 25p shares for the ten-month period to end July 1984.

Pre-tax revenue for the period amounted to £1.02m compared with £1.05m for the previous 12 months. Revenue after tax came out at £704,470, against £728,773.

Due to the acquisition of Close Brothers Hnldings, engaged in merchant hanking, Safeguard will lose its investment trust status and proposes to change its name lo Close Brothers Group.

The financial period under review was shortened to hring it tn the most cnnvenient date prior to the acquisition of Close.

The recommended final dividend for the 10 months is 3.3p, on the capital enlarged hy the acquisition, making a total payout of 5.8p. These payments compare with 4.1p and 6.6p respectively on the old capital.

* * *

A fall in first half taxabla profits from £591,000 to £523,000 has been suffered hy R. Cartwright (Hnldings), a West Midlands-based manufaeturer nf door and window furoiture.

Mr J. C. Northam, group chairman, says that the caution expressed in his last annual statement has been proved correct with fluctuating demand experienced in the hardware companies.

Cartwright's plastics company, however, has maintained steady growth, says Mr Northam.

The lnterim dividend for the first six months nf 1984 is being maintained at 1.5p on the capital, enlarged hy a one-for-five rights.

Group turnover for the period amounted to £6.98m, against £6.68m. Profits were suhject to tax nf £127,000 (245,000), after wbicb stated earnings per share were 5.9p (6.12p).

* * *

The annual general meeting of **Fleet Holdings** was held on October 3, and is not, as indicated ln tbis week's Financial Diary, scheduled for today.

* * *

On turnover up from £1.31m to £3.52m, pre-tax profits at **London and Continental Advertising Holdings** were 62 per cent higher at £435,000, in the six months to June 30 1984.

The figures ioclude one month's contribution from London and Provincial Posters, which was acquired from Reed International for nearly £18m towards the end of the half year.

Before taking the L & P contribution into account, London and Continental increased its own pre-tax profits by 24 per cent over the first half of 1983.

The company does not pay an interim dividend—its shares are traded on the Unlisted Securities Market—hut a final dividend of 1.5p per share was forecast at the time of the offer for sale in June. Stated earnings per 8p share improved from 2.05p to 3p.

Mr John Golfar, the chairman, says the hoard is pleased with the activities nf the group as a whola and be anticlpates that the outcome for 1984 will ha most satisfactory.

* * *

Despite a £31,000 rise in interest costs to £37,000 the Midiand Marts Group aaw its pre-tax profits improve from £201,000 to £285,000 over the opening six months to July 27 1984.

Turnover advanced by £901,000 to £2.18m—the group operatea livestnck markets and also has an estate agency division.

Earnings rose to 4.1p *(3.5p)* per 25p share. The net interim dividend is beld at 1.25p. The company's shares are traded on the USM.

Tax took £131,000 (£88,000) to leave attributable profits at £154,000 (£113,000).

LADBROKE INDEX
Based on FT Index
861-865 (+3)
Tel: 01-427 4411

UK COMPANY NEWS

UK improvement and lower finance costs boost Time Products

HELPED BY sharply lower finance costs in Hong Kong and a continuation of improving trading conditions in the UK pre-tax profits of Time Products moved ahead from £31,000 to £75,000 over the six months to July 31, 1984.

In the UK turnover in both the retail and wholesale divisions improved and, subject to a satisfactory Christmas, Mr Marcus Margulies, the chairman, says full-year results should compare favourably with those for 1983-1984.

In view of the first-half figures and the expectations for the year as a whole interim dividends are being resumed with a net payment of 0.25p per 10p share.

The group, a watch and clock distributor, manufacturer and retail jeweller, ran up a loss of almost £4m in 1982-83 and passed both its interim and final dividends. The dividend for the first half of last year was also omitted; but a final of 1p was paid from taxable profits of £2.7m.

Over the opening half of the current year trading in Hong Kong was difficult with turnover and profits down on last year.

The reorganisation of the business, now largely complete, and the programme for improvement in quality and delivery are expected to bear fruit in the second six months.

Turnover broke down as to UK £12.15m (£11.34m) and Hong Kong £7.64m (£10.75m). Trading losses in the UK were down from £446,000 to £233,000 but profits from Hong Kong declined from £2.04m to £1.1m.

Finance income in tha UK rose to £111,000 (£14,000). In Hong Kong the charge dropped from £1.58m to £902,000.

Earnings per share came through at 0.15p, compared with 0.06p.

● comment

It could just be that Time Products has more going for it than the market gives credit for. Tha move into Hong Kong was plainly a major blunder, but as the company insists, tha downside is limited to guarantees of £300,000 — nona of Remex's horrendous loans are ottached to the assets of the UK operation. Taking the prospects nf Hong Kong recovery out of the equation, the UK outlook is alao, unfortunately, obscure. Some 30 per cent of sales occur in December, so although Time reports good trading in the past four weeks or so, it is plainly too early to say how the upmarket mova in UK products will fare in the event. But at 27p (down 2p) the shares reflect an uncharitahla view of a UK operation which bas never been unprofitable, even in the worst periods of changing timepiece technology. At least, the company now professes itself chastened by its overseas ventures, and proposes to stick to the market it knows.

House of Lerose down by 150% halfway

A NUMBER of adverse factors has reduced pre-tax profits at the House of Lerose, Birmingham-based garmen manufacturer, fabric printer and dyer, by nearly 150 per cent, from £561,000 to £225,000 for the six months to June 30 1984.

The most serious development has been an accelerated trend away from knitted fabrics, which has largely rendered ineffective the company's concept of vertical integration, the chairman, Mr M. K. Rose, says.

The textile companies have suffered particularly and sinca the half-year the company'a fabric knitting activity has had to be substantially reduced. This has deprived the garment divisions of their reliable sources of supply from within the group. The extent of the new and sudden dependence upon outside suppliers has lowered the company's production efficiency, and seriously reduced profit margins.

The chairman adds that these are matters which are receiving immediate attention, although the problems are likely to further influence the year as a whole.

In addition, the indifferent demand for dresses on the Continent, alrendy referred to by the chairman in April, is continuing. The fahric printing company, bowevar, has continued to operate profitahly.

Group turnover rose during the period from £9.27m to £9.55m.

Stated earnings per 25p share were balved at 2.5p, although the interim dividend is being held ot 3p net

British Dredging jumps

British Dredging performed well over the first half of 1984 and lifted its pre-tax profits for the period from £322,000 to £607,000.

Although turnover fell by £1.43m to £3.57m, the directors say this was entirely accounted for in last tima's figures which included at £1.4m Ministry of Defence contract.

They are encouraged by the interim results as they were achieved without any benefit in terms of sales and profit from such "abnormal factors."

The net interim dividend is held ot 1p from stated earnings of 1.98p (1.19p) per 25p share.

Net investment income, at £105,000 (£78,000), was lower than anticipated due to a fall in Government securities. However, this has been accruing at some £37,000 a month since early July.

Tax took £266,000 (£125,000) to leave net profits at £341,000, compared with £197,000—there were extraordinary credits last year of £42,000.

The group, based in Cardiff, is a ship repairer and supplier of building materials.

S. Jerome's textiles at full capacity

Taxable profits of £131,000, against losses of £152,000, were achieved by S. Jerome & Sons (Holdings), textila and electronic concern, in the opening six months of 1984.

The directors say that all textile divisions have full order books and are working at maximum capacity. Although margins are keen and under pressure, Mr W. Jerome, group chairman, is confident that profits from these divisions will continue to be satisfactory.

Due to an order shortage, CMR CMR Electronics incurred a loss hefore interest of £66,000 hut the company says that its order book is beginning to abow some improvement.

Group turnover for the interim period rose from £7.2m to £7.8m and pre-tax profits were struck after higher interest payable of £115,000 against £72,000.

The interim dividend is unchanged at 0.694p per share—last year's final payment was 1.995p paid from taxable profits of £447,000. First half stated earnings per share amounted to 1.72p (losses 1.14p).

Tax took £52,000 (credits £102,000) and there were minority credits of £4,000 (debits £5,000).

Campari Intl. advances

The growing popularity of its up-market ranges has helped to push turnover up from £12.8m to £14.2m at Campari International, importer and distributor of leisure, camping and boating equipment, for the six months to May 31 1984.

The group's taxable profits were up by £3,446 at £56,770, no part of which is attributable to outside interests. During the last full financial year the company incurred a £156,000 loss.

Stated earnings per 20p share for the period were unchanged at 0.3p, and a same-again interim dividend of 0.5p is being paid.

Mr Henry Lipton, company chairman, says that while the results show a return to profitability, the group has yet to see how current market conditions, including effects of the miners' strike, will affect two of its biggest trading months, October and November. He is, therefore, taking a cautious view of the year as a whole.

Group reserves have been increased by £91,000, being the difference on translation of net assets of overseas subsidiaries. There was a £52,000 decrease last time.

LAW AND SOCIETY

A law above the law

A. H. Hermann, Legal Correspondent, looks at Lord Denning's latest book, which traces the landmarks on the ways to consensus

"LANDMARKS IN the Law," a new book by Lord Denning, to be published next Monday*, makes one ask: "What is law?" This is not an academic question, not even in England where the belief bas survived longest that precedent and statute, with some addition of commercial usage thrown into the bargain, provide you with all the law you need. This had, no doubt, been the result of a stable society, for centuries free from revolution and foreign invasion.

Similar optimism prevailed on the continent of Europe until 1933 when the German Minister of Justice, a Social Democrat, declared: "I will yield only to force" (believing that no one would dare) and was pushed out of bis office hy Nazi storm-troopers. Some 15 years later the Communist hully-boys from tha Prague abattoir marked the assumption of power by heating up another Social Democratic minister, a former coal miner, in bis office. The Czech Ministec of Justice fared worse: he was thrown out of the window. It was only from the first floor and with some bones hroken be survived; the rule of law did not.

Thus one learned through painful experience that law books are not enough. The rules they contain have to be backed by power to enforce them. Rules which are not enforceable are not law. But what about rules which though enforceable outrage basic concepta of fairness, justice and morality? Are such rules law and do they excuse the misdeeds ordained by them?

The Nuremberg trial put an end to the sort of positivism which would have had us believe that law is law however unjust, cruel and immoral it may appear. Unfortunately, when only relatively small injustices, impracticability, or even sheer absurdity are the results of a literal application of statute and of a rigid observation of precedent, the positivists still have their way, particularly in the higher English courts.

Lord Hailsham, the Lord Chancellor, has lnng maintained that the maddening obscurity of English statutes is a consequence of the victory of the literal interpretation in courts. More recently he concluded† that statutes and precedents alone were not enough. In interpreting them judges should take into account what was generally accepted as fair and just. "Natural law" was the term he used, and in applying the rules judges sbould consider the need of the time and place, as well as the practicability of enforcement.

This takes the definition of law two steps further. It is a system of rules of behaviour which are not only enforceable and enforced, but also accepted by the overwhelming majority of those to wbom they apply as fair and just; and which, moreover, can achieve practical results.

Lord aHilsham's conclusions echo Lord Denning's "the business of judges is justice." He shares with Lord Denning, a horror of utilitarianism—"the greatest happiness for the greatest number"—in the name of which all sorts of things, evil as well as good, can be perpetrated. Nor is be willing to condone law's servitude to naked power, as when Nazi courts accepted that "The law is what pleases the Fuehrer." or, one can add, "Law is what is good for the party," the slogan which adorned the Communist court rooms in the 1950s.

Somewhat less obnoxious but from the same legal stable is the view adopted by some EEC lawyers that "law is what serves Europe's integration." The UK offspring of this philosophy is the asertion, often beard receotly, that law is only what, in the opinion of their leaders, is good for the trades unions—even if the majority of trade unioinsts may disagree with them.

This hrings one to the difficult question of consent and acceptance of rules. Is it a matter which can he tested by electoral vote, ballot or opinion polls addressed to specific issues, nr should one rather assume that we all agree that we must not do to others wbat we do not want them to do to us? Is it a matter of a law ahove the law, or aome sort of religious or quasi-religious morality, the natural law of Lord Hailsham, the categorical imperative of Kaot, the *daimonion* of Socrates?

Curiously, a book bas appeared recently in Moscow†† in which nne of the leading Soviet academic lawyers, V. S. Neirsesiantc, departs from the brutal positivism of the Vishinski era and discovers that, on true interpretation of Marx, Engels and Lenin, law cannot be altogether separated from justice: indeed he finds that there exists a fundamental "primary law," expressing the general freedom and equality of citizens.

In his latest book, the sixth since 1979, Lord Denning traces the history of English law in 12 chapters ranging from the trials of Sir Walter Raleigh and Sir Francis Bacon to more recent cases concerning press, trade unions and muders. A further chapter deals with the Profumo case and the moral issues involved.

The remaking of the law by judges in accordance with what they consider to be a greater justice runs like a red thread throughout the book. Sometimes they have not done enough. In 1816 Sir William Scott decided in favour of a French slave trader captured hy an English cutter. He thought that slavery was then not outlawed by international law. Lord Denning writes: "I think that Sir William Scott missed a great opportunity to develop the law of nations. Slavery was so repugnant to human rights that he could and should have declared that it was contrary to international law. He should have held the English sailors to be justified."

But Lord Denning's latest book it not all history. It deals with events as recent as the flying pickets in the hot summer of 1984. He agrees with the Law Commission that in the area of law closely connected with the exercise of fundamental liberties it is necessary to move with caution. The religinus source of Lord Denning's approach to law is much in evidence in the chapter on persecution, largely dealing with the persecution of Jews and their part in Eoglish public life. He stresses that Jesus was a Jew, and says it is time that Christians and Jews came together in the search for truth.

But what is truth? Tbough the fundamental moral canons of the Jewish/Christian attitude to life are clear and accepted as the basis of European culture, now spread nver the wider world, great differences appear in the application of these canons to everyday tasks. Karl Marx was probably prompted by the same desire to belp the disadvantaged as the Archbishop of Canterbury. Only the methods they propose for achieving greater fairness differ.

The difference between the class war of the Marxist doctrine and the reconciliation preached by Dr Robert Runcie has an important bearing on the rule of law. A system of law which is enforceable and also accepted by those to wbom it applies can be achieved only in a society where there is agreement about the fundamental principles. Without such consensus the majority, or the more powerful minority, must rely on naked force. As law is the stuff which states are made of, the absenca of consensus has often led to dictatorships of one sort or another, all of which substitute hrutal force and terror for law.

* *Butterworth, 394 pages, £12.50 (hardback); £7.50 (paperback).*

† *In his St George's Lecture on Law and Morality, delivered at Windsor on April 27 1984.*

†† *V.S. Neirsesiantc: Pravo i zakon (Justice and Law) Moskva 1983.*

APPOINTMENTS

Top posts at Hongkong & Shanghai

On the retirement of Mr T. Welsh in the spring of 1985, Mr R. C. Farrell will become executive director of the HONGKONG AND SHANGHAI BANKING CORP, London. Mr Farrell became an executive director based in Hong Kong earlier this year, with responsibility for group finances, and will move to London at the end of February 1985. Mr M. W. Wells will be appointed a general manager and will move to London at the turn of the year where he will assume responsibility for the day-to-day operations of the Bank.

Dr Brian Ridgewell has heen appointed to the hoard of BURMAH SPECIALITY CHEMICALS as chief executive nf its coatings division. He takes over from Mr Tony Green following the latter's retirement. Dr Ridgewell comes from W. Canning, where he was managing director nf its largest subsidiary, W. Canning Materials. Burmah Speciality Chemicals is one of the principal divisions of the Burmah Group and consists of three husiness areas: adhesives and sealants; coatings; and printing inks.

*

Mr John R. Parry, who joined the board of HAMMERSON PROPERTY INVESTMENT AND DEVELOPMENT CORP. on January 1 1984, has heen appointed deputy managing director.

Property chief for NFC

Mr David White, a director of the National Freight Consortium has become group managing director of the NATIONAL FREIGHT CONSORTIUM PROPERTY GROUP, responsible for the freehold and leasehold property assets owned by the NFC. Mr White succeeds Mr John Mather who is becoming the chief executive of the National Freight Consortium. In addition, Mr White will succeed Mr Victor Paige as a deputy chairman of the NFC in June 1985.

*

Mr Peter F. Hazell has heen appointed UK managing director of NATIONAL ECONOMIC RESEARCH ASSOCIATES, consulting economists. He was formerly a partner in Deloitte, Haskins and Sells, management consultants.

*

BRITISH EVER READY, a subsidiary of Hanson Trust, has promoted Mr Bob Nevitt as the new managing director of Ever Ready Limited. He joined Ever Ready in 1959 as a salesman, moving on to become regional sales manager, national sales manager and in 1983 sales director. He succeeds Mr Mike Johnson who will shortly return to South Africa as the managing director of Eveready South Africa. Mr Peter Bonner has heen promoted from marketing director of Ever Ready Limited to marketing director of British Ever Ready. He joined the rompany in 1966 as a marketing trainee, hecomiog marketing director of the export division in 1979 and of the UK rompany in 1982.

*

Mr W. M. Dodds bas been appointed managiog director of TREND COMMUNICATIONS, a divisinnal subsidiary of Phirom, in place of Mr J. L. A. Selhy who becomes a deputy chairman in charge of strategic plannlog and the division's subsidiaries in the UK and overseas.

*

Mr Christopher Reilly has been appointed principal at MORGAN STANLEY INTERNATIONAL responsible for coverage of rorporate finance clients in the UK. He was executive director, rorporate finance, at S. G. Warhurg and Co.

*

THE GLOBAL GROUP has appointed Mr Andrew P. Baker, a partner in the group's solicitors, Wedlake Bell, as a non-executive director.

*

Mr Simon Page bas joined OFREX LIMITED as purchasing director.

*

CARBORUNDUM ABRASIVES has appointed Mr David M. Howard as managing director of Carborundum Abrasives GB, a subsidiary based at Trafford Park. He was sales director UK.

*

HENRY COOKE, LUMSDEN & CO., stockhrokers, has appointed Mr Neil Barton, Mr Edward Burke, Mr David Oakes and Mr Tony Silverman as associate members.

Reorganisation at CompAir

COMPAIR has reorganised its management structure following the appointment of Mr J. B. McGrath as group chief executive. The principal group appointments are: Mr Adrian J. Parsons (joining CompAir from Acrow) — executive director, construction, mining and quarrying-equipment; Mr Alan G. Schroeder — executive director, industrial equipment; Mr Lee J. Topp — executive director, automation and fluid power equipment; Mr Robert Boss — sales and marketing director; Mr David R. Cutler — finance director; Mr Brian W. Higgins — director of manufacturing; Mr John W. Little — director of personnel development; and Mr Roy W. Price — director of parts operations.

Under a parallel restructuring of CompAir's UK companies, which form its major manufacturing base, managing directors appointed are: Mr Brian A. Carter — CompAir Reavell, Ipswich; Mr Kelvyn G. Derrick — CompAir Automation, Redruth; Mr Barry K. Holmes — CompAir BroomWade, High Wycombe; Mr Wes Jordan — Hydrovane Industrial, Redditch. Mr Price acts as managing director of CompAir Holman, Camborne, pending a permanent appointment to this post.

*

NEWMAN INDUSTRIES GROUP bas appointed to the hoard of its Newman Electric Motors subsidiary Mr Robert D'Sa, managing director, and Mr Denis Burn production engineering director.

Accountancy Appointments

FINANCIAL DIRECTOR (DESIGNATE)

up to £18,000 + car + significant benefits

Our clients are nationally and internationally famous aa high quality seed producers and plant breeders for the agricultural and horticultural industries. These markets are undargoing both rapid technical and commercial change.

Based in the Eastern Counties the Financial Director (Designate) will report directly to the Managing Director. He/she will be a member of a progressive management team end will have proven ability to manage an ective finance, treasury and eccounting function.

The immediate taaks ere to maintain and develop informetion and control systems using and extending the in-house computer, meet tight daadlines and visibly contribute to tha buaness overall. Thla is a near 'green-field' situation which requires application and creativity.

Tha person appointed must be able to run day-to-day activities but also be capable of presenting e strategic scenario. He/she will ba a CA, ACCA or ACMA with a confirmed commercial or industrial track record and in the 35 to 40 ege bracket.

This is an important career opportunity which offers an attractive remuneration package including a company car and other significant axecutive benefits.

Men and women are invited to write in strict confidence to TDA Lunan at the address below, giving career details, age and current salary. Please include your telephone number and quote 410/FT on envelope and letter.

Lunan
International
Management Selection Division

Lunan International Limited,
172 London Road,
Guildford, Surrey GU1 1XR.

Financial Controller

North West **c£17,000 + car**

Our client is a highly profitable £60 million turnover engineering subsidiary of a major UK group. They have grown dramatically in the recent past, both organically and by acquisition, and it is envisaged that this trend will continue.

They wish to appoint a Financial Controller, who will be responsible for the overall control of the finance and associated D.P. functions for the company's four divisions. The financial control of the diverse and technically complex product base will require a broad range of skills, including standard and contract costing, micro-based financial modelling, capital/investment appraisal, management and statutory accounting, etc., using sophisticated computer-based systems which require further development.

The successful candidete will be e qualified accountant, aged 33+, who can demonstrate an excellent technical background in an engineering environment, coupled with the enthusiasm and communicative skills required to make a significant contribution to the financial management of the company.

Comprehensive relocation facilities are available where appropriate. Interested applicants should contact **Alan Dickinson**, quoting **ref. 6989 on 061 228 0396**, at Michael Page Partnership, Faulkner House, Faulkner Street, Manchester M1 4DY.

MP
Michael Page Partnership
International Recruitment Consultants
London New York Bristol
Birmingham Manchester Leeds Glasgow

Group Financial Accountant

c£18,000 p.a.

This client is o large UK based multinotionol with a turnover of £2 billion ond o head office based in Central London.

They now wish to oppoint o Group Financiol Accountont who will be responsible for the plc public reporting; preporation of related Board reports; monoging the computerised consolidation; odvising UK ond overseas units on accounting policies; ond monitoring SSAP's, company legislation ond S.E. requirements. Thera is o small department to monoge.

Condidotes should be Chartered Accountants with large oudit firm training ond several yeors relevont post qualification experience in onother large group or at supervisory level in the profession. Age guidaline 27-30.

Please apply in confidence, quoting ref. L 138, to:

Brian H Mason
Mason & Nurse Associates
1 Lancaster Place
Strand
London WC2E 7EB
Tel: 01 240 7805

Mason & Nurse
Selection & Search

Young Chartered Accountant

c.£15,000 **Reigate, Surrey**

This is an opportunity for a young qualified Accountant to take up a senior position in our Head Office.

Redland – one of the U.K.'s leading building materials groups – is among the top one hundred quoted UK public companies. We operate in over 30 countries worldwide, with major interests in the US, Germany and Australia in addition to our UK activities. Our financial management places us in the forefront of innovative professional practice.

The successful candidate, male or female, will be personally responsible for a wide range of activities, including: analysis and reporting on performance – UK and overseas divisions, preparation of group management information, and development of new reporting systems.

Above average ability and a keen desire to progress rapidly are the essential qualities we are looking for. In return we offer the challenge and benefits expected of a successful international group.

Please send details or telephone for an application form to J.B. Dudley, Manager, Staff Training and Development, Redland PLC, Redland House, Reigate, Surrey RH2 0SJ. 073 72 42488.

Redland

FINANCIAL DIRECTOR – DESIGNATE

Spode **STOKE-ON-TRENT £18,000 + Car + Relocation**

Established in 1770, Spode are recognised throughout the world as leading and prestigious manufacturers of fine china and earthenware. With a turnover of £10m and 740 employees, Spode are a highly profitable subsidiary of Royal Worcester Spode Ltd. and are currently enjoying a period of rapid expansion.

The position of Financial Director – Designate will involve total responsibility for Spode's autonomous and computerised finance function. The successful applicant will be expected to assume a positive role in the company's overall management process, with a strong emphasis on ensuring effective response to changing market trends.

Applicants, aged c40 and probably ACMA, will currently hold a senior financial management position within a manufacturing environment, and will have been involved in the operation of modern computerised systems. Personal qualities must include a highly results-orientated and self-motivated approach to business, combined with the ability to work both constructively and effectively as a member of the Board of Directors.

Interested applicants should write enclosing career details, or contact John Woodcock ACMA for further details.

ROBERT HALF
KENSINGTON HOUSE SUFFOLK STREET
BIRMINGHAM B1 1LN

Accountant

High Tech **Cambridge**

Our elient is the high growth UK branch of an international company which is a world leader in the manufacture of materials for micro-electronics. European markets are serviced from on-site manufacturing and technical development resources. Outstanding R & D support facilities ate based in the USA.

An attractive new opportunity has arisen for an ambitious, qualified accountant, to make a major contribution to the future growth of the business.

Reporting directly to the General Manager, the accountant will be a key member of the management team, will contribute to its strategic thinking and provide it with the critical management information to support rapid expansion into new and existing market areas.

The successful candidate will have acquired sound post-qualification accounting skills and will have demonstrable ability to work in a small team environment. Familiarity with USA accounting procedures and of a manufacturing environment would be particularly advantageous.

Please send adequate career details in confidence to Peter Willingham (Ref LM 136) Spicer and Pegler Associates, Executive Selection, St Mary Axe, London EC3A 8BJ.

Spicer and Pegler Associates
Management Services

Financial Accounting Manager

A Financial Accounting Manager, reporting to the Chief Accountant is required at Regional Headquarters in Edinburgh.

We are looking for a Manager [male or female] with a background of successful commercial experience who can demonstrate the ability to control and develop all financial operations within the Region. In addition to providing a Financial Accounting service, the operations include payroll, banking and payments to suppliers using an integrated on-line computer system.

A recognised accounting qualification, together with a proven record of at least five years' experience in Senior Management is essential. A degree in a related discipline would be an added advantage.

The salary for this appointment will be within the range £17,291 – £19,671 per annum, with placing in accordance with experience and qualifications.

Application forms are available from: Director of Personnel, Scottish Gas, Granton House, 4 Marine Drive, Edinburgh EH5 1YB.

Closing Date: 25th October 1984.

SCOTTISH GAS

Financial Analysis

Hertfordshire

Merck Sharp & Dohme is a world leader in the field of ethical pharmaceuticals.

Due to continuing growth, we now wish to appoint a further two Accountants or business graduates to the Financial Analysis team at our UK headquarters. Both new appointments offar an unrivalled overview of the financial and business activities of a major multi-national organisation and thus promise excellent prospects for substantial professional development in the longer term. It is important that you are able to match sound technical expertise with the ability to communicate well with non-financial personnel throughout the company.

The remuneration package includes a salary within the range of £10,000-£14,000, generous relocation expenses, assistance with accountancy studies, and the full range of benefits you would expect of a major international name.

For an application form, please telephone or write to:
Lyn Bennington, Personnel Officer, Merck Sharp & Dohme Ltd., Hertford Road, Hoddesdon, Hertfordshire.
Tel: Hoddesdon (0992) 467272.

MERCK SHARP DOHME
MSD

Financial Director

A major manufacturing company, based in the North West, is expanding by growth and acquisition. Markets are being extended to export territories and production facilities have been improved by considerable investment into computer aided techniques.

A Financial Director is to be appointed to take complete responsibility for all financial aspects of the business and will assist the Managing Director in ensuring that correct financial decisions are made to ochieve targets.

It is essential to be o qualified accountant with considerable experience at a senior level, preferably in an engineering orientated company using computerised systems.

Initial remuneration will be up to £20,000 plus car and other benefits.

Candidates, of either sex, please opply for an application form, quoting reference 68533, to Mrs L Owen, Knight Wendling Limited, St Christopher House, 217 Wellington Road South, Stockport, Cheshire, SK2 6LT. Telephone: 061-477 8585.

Knight Wendling
Management Consultants and Consulting Engineers
London · Stockport (Greater Manchester) · Glasgow
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Private Patients Plan is one of the leading medical insurance companies in the country. As a result of recent growth we now have the following vacancy at our group headquarters in Tunbridge Wells:

SYSTEMS ACCOUNTANT

c. £15,500 + Car

This is a new management position for a systems accounting specialist who will be expected to take responsibility for ensuring that all financial company systems meet appropriate standards of design with regard to best accountancy practice.

The successful candidate will have had considerable experience in the planning, development and implementation of computerised accounting systems, preferably within an insurance or other financial organisation.

Preference will be given to graduates in their early 30s who are technically up-to-date and have a strong personality and the ability to communicate with management, computer specialists and staff.

The salary for this position will be negotiable around the figure quoted dependent on experience and ability. The appointment commands a comprehensive benefits package which includes mortgage subsidy, free PPP health insurance, generous holiday entitlement and contributory pension and life assurance schemes. Relocation assistance will be provided if appropriate.

Please write or telephone for an application form and job description to **Mrs Eileen Millman, Personnel Officer.**

PPP Private Patients Plan
Eynsham House, Crescent Road, Tunbridge Wells, Kent TN1 2PL
Telephone: Tunbridge Wells 40111

FINANCIAL CONTROLLER

Central London **c. £20,000 + car + benefits**

Our client is a highly successful company involved in the provision of sophisticated communication technology.

They now wish to appoint a Financial Controller, and it is envisaged that the position will develop into the role of Finance Director within the short to medium term. The successful candidate will be responsible for the management of the entire finance function, and this will initially involve the recruitment of an Accounts team and the development of computerised accounting systems.

Candidates for this appointment will be Graduate Chartered Accountants 28–32 years, who have a minimum of 3 years commercial/industrial experience. Strong emphasis will be placed on knowledge and experience of computer systems, and the ability to work effectively with a highly motivated team of creative personnel.

Written applications enclosing curriculum vitaes should be sent to Michael Tovey F.C.A. who will be conducting all initial interviews in our London office.

CHANTREY WOOD KING
CHARTERED ACCOUNTANTS
1 Old Burlington Street London W1X 2AX Telephone: 01-734 3282 Telex: 23763

Accountancy Appointments

Chief Management Accountant

Hambro [illegible] Dunbar and Company and their international subsidiaries [illegible] a significant part in the outstanding success of the [illegible] to our rising prominence in the insurance, [illegible] sectors.

We [illegible] highly able Accountant to develop our Gr[illegible] development of our financial servi[illegible]

Because major project work is central to your role, demonstrable achievement in this area, ideally gained in financial services, is important. We are looking for a man or woman with broad experience of meeting technical and managerial challenges, preferably incl[illegible] of group accounting and/or major forecasting/budgeting.

Aged 30-35, [illegible] you'll be a graduate with chartered status who is currently working [illegible] company with high financial standards.

We will [illegible] a first class salary and benefits package and [illegible] to advance [illegible] a company that's already in the select top [illegible] and which is destined [illegible] even greater success in the future.

For [illegible] please phone Karen Philbin on Swindon (079[illegible] or write to her at H[illegible]
Allied Hambro C[illegible]
Swindon SN1 1EL.

Share in our success

ALLIED HAMBRO
FINANCIAL MANAGEMENT

SENIOR ACCOUNTANT

SWINDON **neg. to £15,000**

Our client is in the microchip industry and on target to increase annual turnover by no less than 40% in the current financial year! Due to PROMOTION, a dynamic young ACA/ACCA or equivalent, preferably with TOP TEN U.K. PROFESSIONAL CO. experience and/or 2-3 years' industrial experience, is now required.

In charge of 3 staff, the successful candidate will have a KEY ROLE to play in accounting for the INTERNATIONAL DIVISION's sales to *EUROPE* and purchases from the USA. In terms of multi-currency transaction recording, experience of FASB 52 and/or GAAP (both U.S. accounting standards) would be IDEAL.

Contact GEORGE D. MAXWELL

CORPORATE FINANCE

LONDON EC1 ACA's neg. to £15,000 + car

Our client is an old established British leisure group with c. £1,200m turnover worldwide, 20% of which relates to recent acquisitions in the U.S. and overseas. Fast international expansion has focussed on the need for *ACCOUNTANTS* who are more than a bit special.

Graduate ACA's aged 23-28 who are excellent communicators with an appetite for hard work, have engaging personalities and a positive mental attitude to business, are sought. These are ideal positions for recently qualified ACA's trained by the TOP TEN U.K. PROFESSIONAL FIRMS as successful candidates will be supported by a small staff.

Please telephone to arrange an early meeting with the company's adviser:

GEORGE D. MAXWELL, Managing Director,
ACCOUNTANCY APPOINTMENTS EUROPE
1-3 Mortimer Street, London W1
Tel: 01-580 7695/7739 (direct) or 01-637 5277 ext 281/282

Accountancy Appointments Europe

Chief Accountant

Key role in high-growth electronics industry

c. £15k–Essex

A division of an operating company within one of the U.K.'s major electronics groups, is seeking an ambitious young accountant.

The successful applicant will be responsible to the Unit Director for the financial administration of the business, which approaches a turnover of £20m, through the management of a 20-strong department.

The position offers an excellent opportunity for an ACCA/ACMA qualified accountant to gain highly desirable experience, particularly of corporate reporting, within a large organisation.

Candidates should be aged 28-33, already hold a position of responsibility, and have proven management skills.

The negotiable salary will be enhanced with a number of benefits, including assistance with moving to our client's pleasant semi-rural location.

A full c.v. should be sent in confidence to Confidential Reply Service, Ref ACC 8092, Austin Knight Advertising U.K. Limited, Nelson House, Moulsham Street, Chelmsford, CM2 0XG.

Applications are forwarded to the client concerned, therefore companies in which you are not interested should be listed in a covering letter.

Austin Knight Advertising

Financial Accountant

c.£15,000 p.a.+relocation expenses

IAL's Data Communications Division has built up an outstanding reputation for the design, development and supply of wide ranging communication systems based on the most advanced technology.

Established in new, purpose built premises at Basingstoke and still continuously expanding, we can offer a challenging future to a fully qualified accountant with at least three years' post-qualification experience in a modern business environment.

Reporting to the Chief Accountant, you will be responsible for an accounts department staffed by a team of five. Your role will involve substantial liaison with senior management in budgetary control and on-going development of the computerised accounts system.

Probably in your late 20's or early 30's, you will be *an effective team manager committed* to meeting high standards to a tight time scale and able to communicate well at all levels.

Clare Fuller will give you more details over the telephone, or you can write to her enclosing a copy of your c.v., quoting Ref. K115.

IAL Communications Systems
Aeradio House, Hayes Road, Southall, Middlesex, UB2 5NJ. Telephone: 01-574 5134.
A MEMBER OF THE STANDARD TELEPHONES AND CABLES PLC GROUP

FINANCIAL CONTROLLER COMPANY SECRETARY

Middlesex **c £22,500 plus car**

This long-established, profitable and rapidly-developing manufacturing and trading group whose brand names lead their respective classes in the field of ladies fashionware require a qualified Accountant to lead its accounting team and be responsible for the group's accounting functions and secretarial duties.

Reporting to the Chairman the appointee will be responsible for:

★ All accounting functions associated with a group engaged in manufacturing to supply high street shops, multiples and chains as well as retailing at home and abroad;
★ Forecasts, budgets and treasury;
★ All public company secretarial matters;
★ Administration of pension schemes;
★ Administration of profit share and SAYE share schemes;
★ Properties, insurances and employment legislation.

Ideally the appointee will be between 35-45, professionally qualified (perhaps also with a University or other degree), already carrying senior financial and administrative responsibilities, have some manufacturing background but not necessarily in textiles and have the calibre and drive to merit a board appointment.

Applications, which will be treated with strict confidence, giving full details of age, present employment, experience, etc., should be presented to show how you meet the particular requirements of this position and be sent to:

The Chairman
ELLIS & GOLDSTEIN (HOLDINGS) plc
1/7 Brick Lane, London, E1

Management Challenge

C. London **c. £17,000**

Our client, a recently established service subsidiary of a major British group, operates in the fastest growing high technology market in the world. 1985 will see the launch of a new product which will impact significantly upon the business and social life of this country.

A *qualified accountant* (age 25-35 years) *is required* to join the management team. The wide ranging brief will include responsibility for financial and strategic planning together with the establishment of management information systems to support the business now and in the future.

The position demands an outstanding individual who can combine technical competence with imagination, has well developed commercial instincts and above all, a determination to achieve agreed business objectives.

Longer term career prospects are excellent and not necessarily limited to the finance area.

Write in confidence with full c.v. and daytime telephone number to Patrick Donnelly quoting reference FT/46.

tfi **The Finance Index**
Financial Recruitment Consultants
11 Palmer Street, London SW1A 0AB
Tel: 01-222 5169

Financial Controller

Birmingham c. £20,000 + Car

Our client, an expansion-minded international group, is seeking a Financial Controller for its recently acquired subsidiary in Birmingham — a specialist manufacturing company with a £2.5 million turnover.

Reporting directly to Group in London, the Controller will be completely responsible for the financial management of the company. Specific emphasis will be placed on the enhancement of accounting procedures and standards and *the development of* management information and reporting systems to meet local and group requirements. The Controller will be supported by a small, experienced team.

We are seeking a qualified accountant aged 35-45, with broadly-based financial and management accounting experience, ideally gained in manufacturing. Essential personal qualities are ambition, confidence, a strong commercial awareness and an ability to effectively introduce change to a traditional organisation. The company's commitment to systems development means previous experience of computerised accounting systems is vital.

This new position is regarded as a stepping stone to a group position which will offer involvement and experience in acquisitions, the investment of surplus funds and the development of group systems.

A competitive remuneration package, combined with a visible career path and realistic prospects of a directorship, make this an excellent career opportunity.

Suitably experienced candidates should write enclosing full career and salary details, quoting reference MCS8442 to

Price Waterhouse Associates

Jerry Wright,
Executive Selection Division,
Price Waterhouse Associates
Livery House,
P.O. Box 120, 169 Edmund Street,
Birmingham B3 2JB. Telephone: 021-236 5011.

wta World Transport Agency Ltd

FINANCIAL CONTROLLER

c £15,000 pa, plus car

Qualified accountant aged between 28-35 required to manage the financial functions of a busy and dynamic international Freight Forwarding Company (gross turnover approx. £13,000,000).

The successful applicant will be ambitious with good management communication and organisational skills.

Written application with CV to C. E. Sommer F.C.A., *Financial Director*, World *Transport* Agency Limited, 8 Steyning Way, Green Lane, Hounslow, Middlesex TW4 6DL.

MANAGER OF COST ACCOUNTING

West Middlesex **c£16,000 Age 27-35**

Quaker Oats Ltd. is the U.K. subsidiary of Quaker Oats Company of Chicago. We *manufacture a wide range of Ready to Eat and Hot Cereals, Cereal Snacks, Spreads,* Pasta and Pet Foods and enjoy a strong record of growth in volume and profitability gained through extensive investment in plant, advertising support and people.

To further our aims of providing managers with up to date information on costs in order to improve efficiencies we are developing new systems of cost reporting. Your *first major task will be* to *establish an integrated costing system* throughout the factory and provide a focus for action. You will be a problem solver with the ability to both develop and then promote your ideas to senior management and to manage the introduction of new procedures through operating and costing departments.

An ACMA (m/f) with at least 5 years experience in a sophisticated manufacturing environment, you will ideally have had considerable applications experience in implementing cost accounting software using micro-computers.

Our Company growth indicates career opportunities and we will be pleased to discuss our very wide range of employment benefits with you which will include relocation assistance if required.

Please contact or send your C.V. to:

QUAKER

Lorraine Wiseman
Recruitment Manager
Quaker Oats Limited
Bridge Road
Southall, Middlesex
Tel. 01-574 2388 Ext. 321

Chief Accountant

S. Hants **c.£20,000 + benefits**

Our clients are a *highly* profitable company *marketing and distributing* "household-name" products and are part of an international group. This is a new appointment, reporting to the Financial Controller who is to assume a wider commerical role at Board level. The Chief Accountant will therefore *have responsibility for the* total finance function involving a staff of 30 with qualified/experienced supervisors and computerised systems. Applicants should be qualified and aged in their 30's, with experience of managing staff and operating modern systems of financial control. Benefits include a non-contributory pension scheme and free medical insurance.

Ref 1592/FT. Send c.v. (with telephone numbers) *or write or phone for an* application form to R.A. Phillips, ACIS, FCII, 2-5 Old Bond Street, London W1X 3TB. Tel: 01-493 0156 (24 hours).

Phillips & Carpenter
Selection Consultants

Financial & Operations Accountant

£15,000 plus BONUS City

A challenging opportunity for a young Chartered Accountant to join a leading member firm of London Metal Exchange Brokers, the subsidiary of a multi-million $US commodities and securities group. Reporting to the Operations Manager, responsibilities will include all aspects of financial and management reporting, including trading and commodity accounting and involvement in *the development* and *implementation of new systems.* Candidates will be young qualified Accountants, effective communicators able to maintain a flexible approach to work and who are seeking rapid experience and career development within the commodities industry.

Please write or telephone in confidence to Martin Krajewski.

FIRTH ROSS MARTIN ASSOCIATES, WARDGATE HOUSE, 59A LONDON WALL, LONDON [illegible] TELEPHONE [illegible]

Firth Ross Martin
Financial & Professional Selection Consultants

FINANCIAL CONTROLLER

Hereford **c. £15K**

The Praill Motor Group is a well established, privately owned group engaged in the distribution and servicing of commercial vehicles, and diverse engineering activities. A vacancy has now *arisen for a* ***Financial Controller*** *to take* total financial responsibility for group activities, reporting to the Managing Director.

The successful candidate will be a **qualified accountant with substantial commercial experience.** He or she will be familiar with **computerised accounting systems,** but need not necessarily have had experience of the motor or engineering industry. Probable age 30-35.

The salary will be negotiable around £15K. A comprehensive benefits package will include a significant contribution to relocation expenses where appropriate.

Candidates please telephone Lyn Staines, Recruitment Secretary, on Windsor (07535) 67175 (24 hrs) or write to David Stokes, Recruitment Consultant, 3i Consultants Limited, 5 Victoria Street, Windsor, Berkshire SL4 1EZ for further details and an application form quoting Ref DS/513.

3i Investors in Industry Consultants Limited
Recruitment Division

Accountancy Appointments

ACCOUNTANCY APPOINTMENTS APPEAR EVERY THURSDAY
Rate £34.50 per single column centimetre

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SECTION III – INTERNATIONAL MARKETS

FINANCIAL TIMES

Thursday October 11 1984

Merrill begins sale of Exxon issue, Page 48

WALL STREET

Fears amid delay in debt boost

THE NEW YORK financial markets had an erratic session as the federal funds rate continued to fall and the market waited impatiently for Congress to approve the increase in the federal debt ceiling, *writes Terry Byland in New York.*

The stock market, unsettled by a dividend cut by Caterpillar Tractor and by others discouraging corporate statements, fell by 12 Dow points before rallying strongly to close higher after a fall in the federal funds rate to 5 per cent.

Good results from General Electric left the stock ⅞ higher at $63. But in the bond market, prices fell by ¼ or so.

The Dow Jones industrial average fell to 1,163 before the late recovery brought a closing level of 1,177.23, a net 2.10 points higher on the day.

Turnover improved as prices recovered, and the day's share trading total of 94.7m was the highest for two weeks.

The federal funds rate gyrated between 9 and 10 per cent as the bank settlement was completed. The Fed tried to stem the fall with another round of matched sales, this time for overnight, when the rate stood at 9¾ per cent. But the funds soon dipped below 9 per cent again.

Uncertainty over the debt ceiling came to a head as the Treasury postponed the planned issue of $5.5bn in seven-year notes. In an unusual move which confirmed its anxiety, the Treasury released a letter of complaint to the Senate by Mr Donald Regan, the Treasury Secretary, as well as a tentative financing calendar which confirmed a substantial backlog in Federal loan schedules.

Within the next five weeks, the New York credit markets could face up to $43bn in Treasury funding. The issue of seven-year notes, planned for yesterday, was postponed until next week, and similar doubt now hangs over plans to announce today a $4bn issue of 20-year bonds.

The stock market, too, was looking apprehensive in the face of bearish statements both from business corporations and stock market analysts.

IBM, with results due today, lost $2⅛ to $116¾, and General Motors shed $1½ to $73½. Dow Chemical at $27⅛ eased by only $½, helped by plans to buy in another 2.5m shares.

Caterpillar, suspended at $30¾ as the market waited nervously for the dividend statement, restarted at $31⅛, a gain of $⅞ after the worst was known.

More than 1m shares in Sears Roebuck changed hands, price down $1⅛ to $30¼ after Morgan Stanley lowered earnings forecasts for this year and next.

Teledyne, the electronics group, fell $5⅜ to $277½ on the disclosure that, excluding a $42m tax credit, profits were substantially worse than expected.

Also lower were Owens-Illinois, the containers and forest products concern, down $⅞ to $40 despite a swing into profits, and Owens-Corning Fiberglas, $1¾ down at $29¼ after announcing its third-quarter earnings.

Other features included Colgate-Palmolive, a recent takeover favourite, which added $¼ to $25

With the bank sector poised for trading statements from the leaders, Barnett Banks of Florida at $40¾ and Fleet Financial at $51⅞ improved $⅛ on their results. A block of just under 1m shares in Continental Illinois holding corporation was traded at $1, and a similarly sized block of the rights when-issued stock traded at $2.

Other short-term rates were slow to take a cue from the early dip in federal funds. Treasury bill rates held steady, buoyed by lack of supply because of the Senate's delay. Yields on bank certificates of deposit fell by up to 20 basis points, however.

Trading in the bond market was light, with the professionals inclined to scoff at the political manoeuvring over the debt ceiling. "I don't believe they are about to turn the lights off," said Mr Jim Davin of First Boston. The key long bond gave up half a point to 102 ¹⁄₃₂.

TOKYO

Retreat by foreigners distresses

FOREIGNERS, who became net buyers of Japanese stocks in August for the first time for seven months, greatly disappointed local investors and securities houses by reverting to being net sellers last month, *writes Shigeo Nishiwaki of Jiji Press.*

Mr Tadashi Kusume, executive vice-president of Nomura Investment Management, agrees with other analysts who say that the return of foreigners as net buyers is of primary concern to all investors.

In 1983, foreigners accounted for 13.9 per cent of the total volume of trading on Japan's three principal stock exchanges, Tokyo, Osaka and Nagoya. The proportion was much smaller than the 43.7 per cent by individual Japanese investors but larger than the 7 per cent by domestic industrial corporations and the 4.2 per cent by financial institutions.

Stock prices in Japan began climbing in autumn 1982 along with advances in New York and London. From September 1982 to January 1984, foreigners were consistent net buyers of Japanese stock, lapsing only in two of those months. Net purchases during the period ran to Y1,351.7bn.

The trend was reversed in February 1984, however, with foreign sales totalling a substantial Y1,702.4bn by the end of July. Even after subtracting sales of stocks worth Y541.6bn converted from bonds floated in 1983 on Swiss and other overseas markets, total net sales during the six-month period almost equalled the net purchases of the previous period. In that setting, the Nikkei-Dow market average, which had reached an historic high in May, retreated to 9,703 toward the end of July.

Japanese and South African markets were closed yesterday for national holidays.

After net purchases of Y48.2bn in August, foreigners posted net sales of Y101.6bn in September, and the trend seems likely to persist this month.

Foreign activity is being closely watched, as it has a significant effect on the performance of stock prices in Japan.

Mr Masahiro Dozen, director of Daiwa Securities, is cautiously bullish about the future. Foreigners remain generally confident in Japanese stocks, and overseas institutional investors are increasingly buying Japanese shares as part of their strategies for international investment, he says.

Mr Keisuke Okuda, general manager of the international administration department of Wako Securities, predicts that foreign buying will pick up in the wake of heavy selling since last March of converted shares on the Swiss market.

However, Mr Masayoshi Katsuta, general manager of the international investment information department of Yamaichi Securities, rules out the possibility of an imminent rush of foreign buying and says interest will be renewed only when market prospects present a clearer picture.

AUSTRALIA

AN AFTERNOON rally among Sydney mining issues corrected early weakness, leaving a mixed finish in busy activity. Industrials continued their firmer trend.

BHP put on 5 cents to A$10.30, but Bell Resources dipped that amount to A$4.65. Among the golds Central Norseman at A$4.75 moved up 5 cents, but the most notable rise was in speculative explorer Niugini, which repeated its 70-cent jump on Tuesday to reach A$6.50.

Transport group Mayne Nickless, resisting a bid for control by APM, gained 12 cents more to A$3.65 – a three-day increase of 37 cents on hopes of a counter-offer to the effective A$3.52 proposed by the paper group, which itself added 2 cents to A$2.32.

EUROPE

Restrained approach is favoured

A LOW-KEY approach was adopted in many European bourses yesterday, and the only notable activity was seen in the Dutch and Italian markets.

Sentiment continued to be dampened by an initial rise in the dollar and consequent uncertainty over the direction of interest rates.

After a mixed opening, Amsterdam turned higher. But KLM, following a five-for-one share split, traded somewhat weaker at Fl 38.90 compared with the previous Fl 195.20.

Unilever, which has secured control of Britain's Brooke-Bond, lost Fl 1.30 to Fl 290, while Hoogovens, after reports of greater demand for European steel, rose 40 cents to Fl 63.60. Banks, publishers and insurers also showed moderate gains.

The higher dollar kept foreign buyers away from the bond market, and prices ended easier.

Banks were the only issues neglected in an active Milan. Heavy buying demand for Pesenti companies took Italmobiliare up L2,900 to L58,400, Italcementi L900 ahead to L52,200 and insurance group RAS L990 higher to L53,000.

Bastogi continued its rise despite rumours of financial problems in a subsidiary, taking on L8.75 to L108.75. La Centrale rose L45 to L1,870 as it considered merging with Nuovo Banco Ambrosiano.

Dull and featureless Frankfurt trading was reflected in a 2.5 drop to 1,066.5 in the Commerzbank index.

The motor sector continued its downward move, with only BMW retaining its previous day's price of DM 382.50. Despite news of a joint venture to build cars and engines in China, VW lost DM 2.10 to DM 179.

Siemens, after gaining DM 6.40 on Tuesday, lost 80 pfg to DM 446.80. The company has announced a joint venture in microchip development with Philips.

Chemicals, banks and high-technology issues recorded moderate losses, while pharmaceutical Schering dropped DM 5.50 to DM 396.50.

Buyers in bonds took a rest from the week-long rally, and prices ended steady. The Bundesbank sold DM 26.5m of paper compared with purchases of DM 43m the previous day.

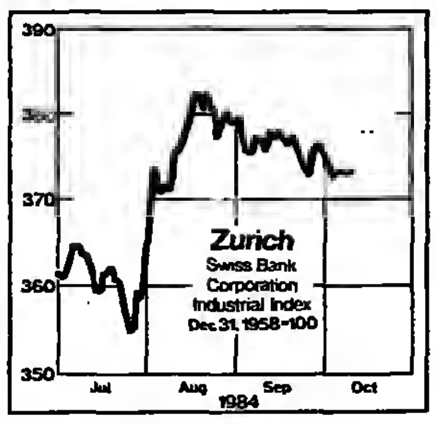
Paris was directionless, with banks, engineering, oil and chemical issues mostly improved while constructions and metals drifted lower.

L'Oréal continued its strong rise, adding FFr 15 to FFr 2,585, while Avions Dassault also firmed further, up FFr 25 to FFr 4,745. Crédit National lost FFr 11 to FFr 655 after Tuesday's announcement of a complex loan facility.

Banks and insurances were barely changed in Zurich, where most sectors were steady. The Swiss Bank Corporation industrial index crept 0.1 higher to 373.6.

Actively traded Motor-Columbus, which has climbed out of the red, took on SwFr 36 to SwFr 630. Prices varied slightly in a softer bond market.

Trading in Brussels was quiet, with prices mixed to slightly firmer. A downward move, however, was evident in Madrid.



HONG KONG

A STEADY Hong Kong result allowed most of Tuesday's gains to be maintained while selected issues pushed further forward. Overseas operators were noted to be still in the market.

Among the best of the day were Wheelock Marden, 20 cents ahead at HK$3.62 on reports of the possible sale of a unit, and China Light, up 10 cents to HK$14.

Jardine Matheson held at HK$7.10, apparently having shaken off the spate of results-induced selling, while Hongkong Land moved 3 cents lower to HK$3.02.

LONDON

Optimism on rates continues

INTEREST RATE optimism, although dented by September's unexpected surge in UK money supply, continued to flicker yesterday in London stock markets.

Thoughts that the U.S. Federal Reserve was willing to relax its credit policies and the resumption today of the pit peace talks were other stabilising factors.

Longer-dated gilts drifted back, but index-linked gilts moved higher by ½ or so.

Equity markets were coloured by intense takeover speculation in the food sector following Unilever's increased and accepted offer for Brooke Bond, which gained 8p to 124p.

Many other takeover candidates benefited as funds resulting from the sale of Brooke Bond shares were reinvested.

Leading industrials, which began easier, gradually rallied. The FT Industrial Ordinary index closed 0.6 higher at 866.8.

Chief price changes, Page 40: Details, Page 41: Share information service, Pages 42–43

SINGAPORE

BOUTS OF BUYING support alternated with profit-taking to leave Singapore mixed with isolated speculative gains.

The most marked of these was in volume leader Ben & Co, 18 cents ahead at S$1.51 for a two-day surge of 47 cents or 45 per cent.

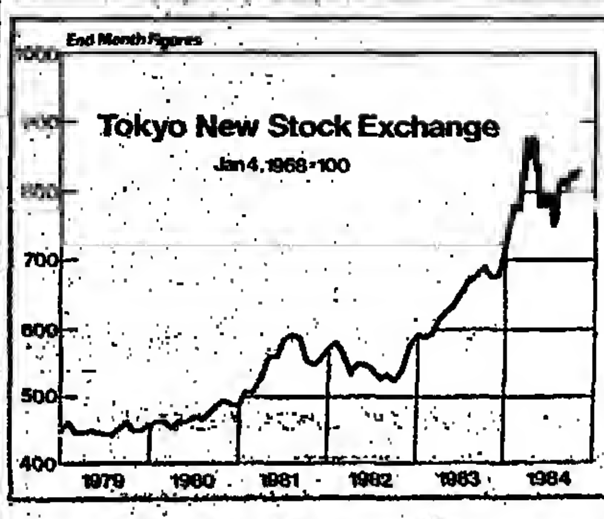
Lee Kah Ngam made an active debut and closed at S$1.57 after a trading range of S$1.52 to S$1.60.

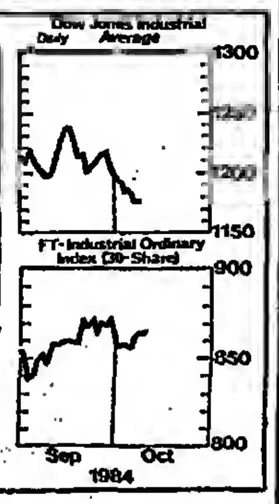
CANADA

WEAKNESS among Toronto resource issues persisted, although golds managed to regain some stability. The property sector also showed setbacks.

Montreal showed uniform but muted retreats by many banks, industrials and utilities.

KEY MARKET MONITORS





STOCK MARKET INDICES

	Oct 10	Previous	Year ago
NEW YORK			
DJ Industrials	1,177.23	1,175.13	1,284.65
DJ Transport	510.63	508.48	589.34
DJ Utilities	138.28	138.18	138.39
S&P Composite	162.11	161.66	172.65
LONDON			
FT Ind Ord	866.8	866.2	692.1
FT-SE 100	1,136.5	1,136.6	945.8
FT-A All-share	534.98	535.44	436.44
FT-A 500	581.36	581.81	475.21
FT Gold mines	555.9	557.6	549.1
FT-A Long gilt	10.38	10.36	10.51
TOKYO			
Nikkei-Dow	closed	10,668.71	9,562.48
Tokyo SE	closed	830.75	699.6
AUSTRALIA			
All Ord.	742.3	742.8	707.6
Metals & Mins.	445.2	448.6	534.5
AUSTRIA			
Credit Aktien	56.23	56.21	54.83
BELGIUM			
Belgian SE	161.98	162.13	128.73
CANADA			
Toronto Metals & Mins	1,920.89	1,933.1	2,484.0
Composite	2,357.88	2,357.0	2,517.1
Montreal Portfolio	115.42	115.32	124.2
DENMARK			
Copenhagen SE	169.01	170.92	181.59
FRANCE			
CAC Gen	182.0	181.7	140.9
Ind. Tendance	117.7	117.6	89.2
WEST GERMANY			
FAZ-Aktien	366.23	366.73	327.17
Commerzbank	1,066.5	1,069.0	970.4
HONG KONG			
Hang Seng	983.13	982.38	753.96
ITALY			
Banca Comm.	n/a	210.73	191.89
NETHERLANDS			
ANP-CBS Gen	177.6	177.0	143.9
ANP-CBS Ind	138.7	138.3	116.4
NORWAY			
Oslo SE	254.65	256.1	217.6
SINGAPORE			
Straits Times	857.69	856.59	940.96
SOUTH AFRICA			
Golds	closed	1,014.3	782.7
Industrials	closed	858.4	927.9
SPAIN			
Madrid SE	151.05	153.39	118.44
SWEDEN			
J & P	1,451.38	1,448.99	1,479.06
SWITZERLAND			
Swiss Bank Ind	373.6	373.5	341.6
WORLD	Oct 8	Prev	Year ago
Capital Int'l	180.4	181.0	184.9

GOLD (per ounce)

	Oct 10	Prev
London	$337.75	$340.75
Frankfurt	$338.00	$340.50
Zürich	$337.75	$341.00
Paris (fixing)	$338.49	$340.75
Luxembourg (fixing)	$337.90	$341.30
New York (Oct)	$338.80	$337.00

* Latest available figure

CURRENCIES

(London)	U.S. DOLLAR Oct 10	U.S. DOLLAR Previous	STERLING Oct 10	STERLING Previous
$	–	–	1.233	1.228
DM	3.0755	3.089	3.79	3.79
Yen	247.3	247.65	305.5	303.75
FFr	9.425	9.47	11.6725	11.6175
SwFr	2.5375	2.543	3.1275	3.12
Guilder	3.472	3.475	4.2975	4.2725
Lira	1,913.0	1,903.5	2,356.0	2,336.5
BFr	62.575	62.25	77.0	76.55
C$	1.3175	1.3195	1.62	1.621

INTEREST RATES

	Oct 10	Prev
Euro-currencies (3-month offered rate)		
£	10⅝	10⁹⁄₁₆
SwFr	5⁵⁄₁₆	5¼
DM	5¹⁵⁄₁₆	5¹⁵⁄₁₆
FFr	11⅝	11⅞
FT London Interbank fixing (offered rate)		
3-month U.S.$	11¼	11⅜
6-month U.S.$	11½	11⅝
U.S. Fed Funds	5	10⅛
U.S. 3-month CDs	10.75	10.80
U.S. 3-month T-bills	10.04	10.05

U.S BONDS

Treasury		Oct 10* Price	Oct 10* Yield	Prev Price	Prev Yield
11⅞	1986	100	11.87	100⅟₃₂	11.85
13⅜	1991	105²³⁄₃₂	12.44	105²⁹⁄₃₂	12.43
12⅜	1994	101¹¹⁄₃₂	12.36	101¹⁵⁄₃₂	12.35
12½	2014	102¹³⁄₃₂	12.24	102²¹⁄₃₂	12.15

Corporate	Oct 10* Price	Oct 10* Yield	Prev Price	Prev Yield
AT & T				
10⅜ June 1990	90⅝	12.75	90⅝	12.75
3⅞ July 1990	70½	10.95	70⅞	10.85
8⅜ May 2000	72¼	12.95	72¼	12.95
Xerox				
10⅞ March 1993	88⅜	12.85	88⅜	12.85
Diamond Shamrock				
10⅞ May 1993	88⅜	12.95	88⅜	12.95
Federated Dept Stores				
10⅞ May 2013	82½	12.95	82½	12.95
Abbot Lab				
11.80 Feb 2013	92	12.90	82	12.90
Alcoa				
12¼ Dec 2012	91⅝	13.45	91⅞	13.45

FINANCIAL FUTURES

CHICAGO	Latest	High	Low	Prev
U.S. Treasury Bonds (CBT) 8% 32nds of 100%				
Dec	67–17	68–06	67–11	67–20
U.S. Treasury Bills (IMM) $1m points of 100%				
Dec	89.95	90.01	89.91	89.93
Certificates of Deposit (IMM) $1m points of 100%				
Dec	89.04	89.17	88.99	89.02
LONDON				
Three-month Eurodollar $1m points of 100%				
Dec	88.70	88.78	88.68	88.73
20-year Notional Gilt £50,000 32nds of 100%				
Dec	106–14	107–05	106–11	106–13

COMMODITIES

(London)	Oct. 10	Prev
Silver (spot fixing)	579.50p	587.20p
Copper (cash)	£1,022.00	£1,025.00
Coffee (Nov)	£2,376.50	£2,336.50
Oil (spot Arabian light)	$27.75	$27.87

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
23½	13¾	AAR	.48	2.2	19	32	22	21⅞	22	
18⅞	13⅛	AMF	.50	3.0	152	283	16¼	16½	16¾	+¼
41¾	24¾	AMR			4	5631	27¾	26¾	27¼	+⅞
20⅞	18⅛	AMR	pf2.18	11		16	19¾	19⅝	19⅝	-⅛
41½	27½	AMR	pf2.13	7.3		287	29¼	28½	29	
16¼	6⅛	APL			4	281	14⅛	13½	14⅛	+⅛
67¾	40⅞	ARA	2.18	3.1	14	667	67⅛	67½	67½	
69¾	44⅛	ASA	3a	5.4		402	56	54⅝	56	+1⅛
30⅝	16½	AVX	.32	1.7	12	112	18⅝	18⅛	18½	+⅛
53⅞	35¾	AbtLab	1.20	3.2	12	9229	38⅝	d35¾	38	-½
35⅛	23⅛	AccoWd	.68	2.2	19	19	30⅛	30	30⅛	-⅛
27¼	12½	AcmeC	.40	2.9		198	14⅛	14	14	-⅝
12⅛	6⅞	AcmeE	.32b	3.2	16	114	10⅛	9⅞	10⅛	+⅛
24⅞	11	AdmDg	.04	.2	13	111	24	24	24	
18⅛	15	AdaEx	2.11e	13.		24	16½	16⅛	16¼	
18⅞	11⅞	AdmMl	.28	2.0	9	1	14⅛	14⅛	14⅛	-⅛
22	13½	AdvSys	.511	4.8	16	54	17	17	17	
41⅞	25⅛	AMD			16	7663	35¼	33	35⅜	+2⅛
14⅞	7⅞	Advest	.12	1.4		125	8⅞	8⅝	8½	-⅛
17⅞	9⅝	Aerflex			11	132	11⅞	11⅛	11½	-⅛
39	27¾	AetnLf	2.64	7.6	31	1190	34	33½	34	+½
58⅛	53	AetL	pf5.78e	11.		947	53¼	d52½	52½	-½
34½	15⅞	Ahmns	1.20	5.6	6	3567	21⅝	21	21⅛	-⅛
6¼	2⅛	Aileen				17	2⅞	2⅝	2⅝	
48⅝	36½	AirPrd	1.20	2.8	8	1089	43⅛	42½	42⅞	-⅛
30⅞	13	ArbFrt	.60	3.3	10	51	18⅛	17⅞	18⅛	+⅛
3⅞	1⅝	AlaMoa	.50e	14.		64	3½	3⅜	3½	+⅛
31⅞	25⅝	AlaP	pfA3.92	14		5	28½	28⅛	28½	-⅛
7⅝	6	AlaP	dpf.67	13.		14	6⅞	6½	6½	
71	61½	AlaP	pf 9	13.		z20	67⅛	67⅛	67⅛	
74	63½	AlaP	pf9.44	14.		z50	69½	69½	69½	+⅛
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

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AMERICAN STOCK EXCHANGE COMPOSITE CLOSING PRICES

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
8¼	3⅝	ADI	n.		16	389	u8¾	5⅝	8¼	+½
2¾	1¼	AICPh				4	1¼	1¼	1¼	-⅛
15¾	8⅛	ALLab	n.20	2.0	10	4	10¼	10¼	10¼	+⅛
13⅝	12¼	AMC	n.12e	.9	11	20	13	13	13	-⅛
3¾	2⅝	AMInt	wi			85	3¾	3⅝	3⅝	
70	58	ATTFd	n4.60e	6.9		98	67½	66¾	66¾	-½
16⅞	10⅞	AcmeU	.32	3.2	10	37	10¼	d10	10⅛	
18⅝	9⅝	Acton			27	1137	12⅛	11½	12	+⅛
8¼	5⅝	Action				21	5⅝	5¼	5⅝	-⅛
4⅛	2¼	AdmRs			4	15	2⅝	2½	2½	-⅛
25½	15⅝	AdRusl	a.16	.5	16	46	16	15⅝	15¾	-⅛
20¼	15	Adobe	.24	1.3	12	19	18¼	18⅛	18⅛	
6⅞	3⅝	Aeges			18	37	4¼	4⅛	4¼	+⅛
8⅞	4	Aeronc			10	85	8	7⅝	7⅝	
25¾	18⅝	AirHsp	.44	2.1	8	4	21	20⅝	21	+⅛
9⅝	8	AirExp			36	328	u9⅝	9⅝	9⅝	+½
5⅝	3⅝	Alamco			2	121	3⅝	3½	3⅝	+⅛
14¾	8⅛	AlbaW	.20a	2.4	8	3	8⅛	8¼	8¼	+⅛
9¼	5⅝	Alpha	.48r	7.0	1	7	6⅞	6⅞	6⅞	
22⅝	11⅛	AlphaIn	.05	.4	15	157	12⅜	12¼	12⅜	+⅛
2⅛	½	Altex				165	⅝	9-16	⅝	
⅛	⅛	Altex	wt			24	3-16	⅛	3-16	+1-16
29¾	11	AlzaCp			65	489	19⅝	19¼	19⅝	+⅛
20⅞	9½	Amdahl	.20	1.6	13	732	11	10⅝	11	+¼
15¾	7⅛	Amedco	.08	.8	10	79	8⅝	8¼	8½	+⅛
6⅞	4⅛	AmBilt	.16	2.4	6	49	6⅝	6¼	6¼	-⅛
6⅝	2¼	AmCap				2	5⅝	5½	5½	-⅛
30	12⅝	AExp	wt			20	19⅝	19¼	19⅝	+½
8½	7⅛	AFruc	n.		9	11	7⅝	7⅝	7⅝	+⅛
12¼	9	AHithM			6	54	9⅝	9⅝	9⅝	-⅛
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

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NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

Continued from Page 38

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
8⅝	3½	Wurltzr			90	19	4⅛	4½	4½	
25⅞	10⅝	WyleLb	.32	2.5	8	301	13⅛	12½	12½	-⅛
21	16½	Wynns	.60	3.2	9	19	17⅝	17½	17½	-¼
		X-Y-Z								
52⅛	33¼	Xerox	3	9.0	10	1403	37⅝	37	37⅝	
51⅛	45½	Xerox	pf5.45	12		5	47⅞	47⅝	47⅞	+⅛
37	19	XTRA		2.5	8	94	26	25⅝	25¾	-⅛
33⅞	24	ZaleCp	1.32	5.1	9	17	26	26	26	-⅛
24⅞	15¼	Zapata	.64	4.5	13	400	18⅝	18½	18½	-¼
48	28¾	Zayre	.40b	.9	12	313	43½	42⅝	43½	+1⅛
38⅝	20	ZenithE			9	611	24¾	24¼	24½	-¼
27⅝	18	Zero	s.36	1.6	18	2	21⅞	21⅞	21⅞	
34	21⅛	Zurnin	1.32	5.7	12	59	23⅛	23	23¼	

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 per cent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a–dividend also extra(s). b–annual rate of dividend plus stock dividend. c–liquidating dividend. cld–called. d–new yearly low. e–dividend declared or paid in preceding 12 months. g–dividend in Canadian funds, subject to 15% non-residence tax. i–dividend declared after split-up or stock dividend. j–dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k–dividend declared or paid this year, an accumulative issue with dividends in arrears. n–new issue in the past 52 weeks. The high-low range begins with the start of trading. nd–next day delivery. P/E–price-earnings ratio. r–dividend declared or paid in preceding 12 months, plus stock dividend. s–stock split. Dividends begins with date of split. sls–sales. t–dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u–new yearly high. v–trading halted. vi–in bankruptcy or receivership or being reorganised under the Bankruptcy Act, or securities assumed by such companies. wd–when distributed. wi–when issued. ww–with warrants. x–ex-dividend or ex-rights. xdis–ex-distribution. xw–without warrants. y–ex-dividend and sales in full. yld–yield. z–sales in full.

WORLD STOCK MARKETS

AUSTRIA

Oct. 10	Price Schs.	+ or −
Creditanstalt	211	+1
Goesser	629	−1
Interunfall	385	
Laenderbank	211	−2
Perlmooser	351	−5
Steyr-Daimler	150	
Veitscher Mag	241	

BELGIUM/LUXEMBOURG

Oct. 10	Price Frs.	+ or −
ARBED	1,560	−15
Banq Int A Lux	6,400	
Bekaert B	4,668	
Ciment CBR	2,615	+10
Cockerill	277	−4
Delhaize	5,700	
EBES	2,850	
Electrobel	8,170	+50
Fabrique Nat	2,065	+5
GB Inno BM	3,400	−40
GBL (Brux)	2,530	+40
Gevaert	3,680	
Hoboken	6,890	−10
Intercom	2,140	−15
Kredietbank	7,500	+10
Pan Hldgs	10,200	−50
Petrofina	7,710	+10
Royale Belge	9,500	+50
Soc. Gen. Banq	5,165	−46
Soc. Gen. Belge	1,845	
Sofina	7,370	−10
Solvay	4,425	
Traction Elec	4,120	+30
UCB	6,360	−40
Vieille Mont	6,320	+40

DENMARK

Oct. 10	Price Kr %	+ or −
Aarhus Olie	430	
Andelsbanken	252	
Baltic Skand	645	
CopHandelsbank	249	−2
D. Sukkerfab	586	−10
Danske Bank	240	−2
East Asiatic	170	−2
Forenede Brygg	740	
Forenede Damp	88	
GNT Hldg	393	
I.S.S.B.	405	
Jyske Bank	468	+1
Novo Ind	1,270	+20
Privatbanken	225	−2
Provinsbanken	315	−2
Smidth (F)	922	−6
Sophus Berend	895	
Superfos	418	−12

FRANCE

Oct. 10	Price Frs.	+ or −
Emprunt 4½% 1973	1,715.5	
Emprunt 7% 1973	8,062	
CNE 3%	3,817	
Air Liquide	651	+1
BIC	515	+8
Bouygues	640	−1
BSN Gervais	2,580	+8
CIT-Alcatel	1,255	
Carrefour	1,681	+8
Club Mediter'n	1,080	−1
CFAO	671	+2
Cie Bancaire	600	+5
Cofimeg	220	
Darty	1,100	
Dumez S.A.	715	
Eaux (Cie Gen)	647	
Elf-Aquitane	256.1	+3.1
Gen. Occidentale	682	−5
Imetal	90	+3
Lafarge Coppee	372	+0.5
L'Oreal	2,585	+16
Legrand	2,021	+5
Maisons Phenix	159.5	−2.5
Matra S.A.	1,805	+1
Michelin B.	898	−1
Midi (Cie)	1,770	
Moet-Hennessy	1,871	+11
Moulinex	98	+1.7
Nord Est	60.9	+0.1
Pernod Ricard	787	
Perrier	502	−10
Petroles Fra	222	+6.9
Peugeot S.A.	214	−3.5
Poclain	58	
Printemps Aus	168.1	+0.1
Radiotech	235	−0.9
Redoute	1,192	
Roussel-Uclaf	1,700	
Sefimeg	250	
Skis Rossignol	1,635	+20
Telemech Elect	1,800	−25
Thomson CSF	393	+5
Valeo	237.9	

GERMANY

Oct. 10	Price Dm.	+ or −
AEG-Telef	111.5	
Allianz Vers	994	−7
BASF	160.4	−0.8
Bayer	177.5	−0.8
Bayer-Hypo	294	−3
Bayer-Verein	331.5	−0.5
BHF-Bank	262	−6
BMW	382.5	
Brown Boveri	127.5	−6.5
Commerzbank	166.0	−1.2
Cont'l. Gummi	124.7	−0.8
Daimler-Benz	683	−5
Degussa	376	−1
D'sche Babcock	162	−2
Deutsche Bank	367.5	−2.0
Dresdner Bank	168.5	−1.5
GHH	155.1	+0.4
Hochtief	478	+2
Hoechst	177.2	+1.5
Hoesch Werke	104.5	−1.5
Holzmann (P)	380.0	−0.5
Horten	169	−4
Kali und Salz	938.0	−0.5
Karstadt	236	−1
Kaufhof	222	−3
KHD	242.3	−2.7
Kloeckner	64.2	−2.1
Krupp	85.5	−0.5
Linde	376.2	−3.5
Lufthansa	164.0	−6.6
MAN	164	
Mannesmann	156.0	−1.6
Mercedes Hld	513	−7
Metallgesell	224.5	+4.3
Munech Rueck	1,200	
Preussag	260.0	−0.6
Rhein West Elect	164.7	−0.8
Rosenthal	246.2	−1.8
Schering	326.6	−5.5
Siemens	446.8	−0.6
Thyssen	77	−2
Varta	175	+
Veba	170.5	−1.3
V.E.W.	120.9	+0.2
Verein-West	296	
Volkswagen	179.0	−2.1

ITALY

Oct 10	Price Lira	+ or −
Banca Com'le	16,200	
Bastogi-IRBS	108.75	+8.75
Centrale	1,870	+45
Credito Varesino	3,870	
Fiat	1,719	+18
Finsider	50	+0.5
Generali Assicur	31,000	+200
Invest	2,645	+6
Italcementi	52,200	−900
Montedison	1,180	+7
Olivetti	6,833	+45
Pirelli Co	2,299	+4
Pirelli Spa	1,758	+8
Snia BPD	1,790	+2
Toro Assic	11,480	
do. Perf	8,400	+90

NETHERLANDS

Oct. 10	Price Fls	+ or −
ACF Holding	188	−0.5
AEGON	196	
Ahold	190.9	+0.2
AKZO	96	−0.4
ABN	344.5	−0.5
AMEV	178	+2
AMRO	64	−0.3
Bredero Cert	160	−3
Bos Kalis Westm	11.2	−0.8
Buehrmann-Tet	66.5	+1
Calland Hldgs	32	−0.1
Credit Lyon'is Bk	58.6	+0.6
Elsevier-NDU	104.2	+1.2
Gist Brocades	168.5	+0.8
Heineken	138	
Hoogovens	63.6	+0.4
Hunter Douglas	31	+0.1
Int Mueller	40.5	+0.6
KLM	38.9xc	−0.1
Naarden	48.4	+0.4
Nat Ned Cert	235.5	+2.5
Ned M d Bank	150	+5
Nedlloyd	150.7	+0.6
Oce Grinten	257	+0.5
Ommeren (Van)	27.2	
Pakhoed	58.6	−1.6
Philips	63.7	−0.5
Rijn-Schelde	1.6	+0.5
Robeco	67.3	+0.2
Rodamco	134.6	+0.2
Rolinco	64.7	+0.3
Rorento	209.8	
Royal Dutch	176.2	−1.6
Unilever	290	−1.3
VMF Stork	133	+1
VNU	188	+2
West Utr Bank	100.6	+05

NORWAY

Oct. 10	Price Kroner	+ or −
Bergens Bank	146	
Borregaard	268.0	−2.5
Christiania Bank	145	
DenNorske Cred	147.5	−0.5
Elkem	111.0	−2.5
Norsk Data	357.6	+2.6
Norsk Hydro	125.5xa	−1
Storebrand	176	−2

SPAIN

Oct. 10	Price Pts %	+ or −
Bco Bilbao	661	−7
Bco Central	572	−3
Bco Exterior	292	−1
Bco Hispano	260	−6
Bco Santander	537	−1
Bco Vizcaya	450	−8
Dragados	176.7	−1.5
Hidrola	77.7	−1.8
Iberduero	86.2	−0.8
Petroleos	165.2	−5.0
Telefonica	101.0	−1.7

SWEDEN

Oct. 10	Price Kronor	+ or −
AGA	345	
Alfa-Laval	189	−2
ASEA (Free)	360	
Astra (Free)	365	
Atlas Copco	165	
Boliden (Free)	365	
Cardo (Free)	245	−5
Cellulosa	123	+3
Electrolux B	240	
Ericsson	341	+5
Esselte	612	−5
Mo Och Domsjo	302	−5
Pharmacia	205	+1
Saab Scania Free	616	
Sandvik	325	
Skandia	601	−1
Skan Enskilda	63.8	
SKF	162	−1
St Kopparbergs	185	
Sven Handlesbn	172	+1
Swedish Match	234	+9
Volvo B (Free)	237	−1

SWITZERLAND

Oct. 10	Price Frs.	+ or −
Alusuisse	748	−2
Bank Leu	3,650	+10
Brown Boveri	1,336	−16
Ciba Geigy	2,450	−10
do. (Part Certs)	1,825	−16
Credit Suisse	2,230	
Elektrowatt	2,450	
Fischer (Geo.)	620	+10
Genevoise	5,500	+50
Hoff-RochePtCts	21,750	
Hoff-Roche 1/10	9,150	+25
Jacobs Suchard	5,900	+25
Jelmoli	1,480	−10
Landis & Gyr	1,480	+10
Nestle	5,960	
Oer-Buehrle	1,255	
Pirelli	252	+1
Sandoz (Br)	6,250	−75
Sandoz (PtCts)	1,105	+10
Schindler (PtCts)	600	
Swissair	975	+10
Swiss Bank	344	
Swiss Reinsce	7,275	−25
Swiss Volksbk	1,436	+5
Union Bank	3,420	+10
Winterthur	2,970	
Zurich Ins	17,100	+100

AUSTRALIA

Oct. 10	Price Aust. $	+ or −
ANZ Group	4.83	
Acrow Aust	1.75	
Alliance Oil Dev	0.28	
Ampol Pet	1.7	
Aust Cons Ind	1.88	+0.01
Aust. Guarantee	2.95	
Aust. Nat. Inds	2.5	
Aust. Paper	2.32	+0.02
Bell Group	6.3	
Bond Corp Hldgs	1.45	
Boral	3.29	+0.01
Bougainville	1.74	−0.91
Brambles Inds	3.5	−0.05
Bridge Oil	2.75	
B.H. Prop	10.3	+0.05
CRA	4.85	−0.11
CSR	3.04	−0.65
Carlton Utd	4.30	
Castlemaine Tys	4.75	
Coles (G.J.)	4.1	
Comalco "A"	2.2	
Consolidated Pet	0.41	
Costain Aust	1.4	
Dunlop Aust	2.0	+0.05
E.Z. Inds	0.4	
Elders IXL	4.38	−0.02
Energ Res	1.6	

AUSTRALIA (continued)

Oct. 10	Price Aust. $	+ or −
Gen Prop Trust	2.25	
Hardie (James)	3.42	+0.02
Hartogen Energy	2.25	
Herald W'yTimes	5.95	
ICI Aust	2.15	
Jimberlana F.P.	0.28	−0.02
Kia Ora Gold	0.14	
Lend Lease	6.4	+0.61
MIM	2.85	−0.95
Mayne Nickless	3.85	+0.12
Meekatharra	0.9	
Myer Emporium	1.80	+0.02
Nat. Aust. Bank	3.64	
News	2.7	
Nicholas Kiwi	3.92	+0.09
North Bkn Hill	2.30	−0.05
Oakbridge	0.82	
Otter Expl	0.44	−0.91
Pancont'l	1.12	−0.04
Pioneer Conc	1.68	
Queensland Coal	1.18	+0.01
Reckitt & Coln	2.85	−0.05
Repco	1.16	
Santos	6.84	+0.06
Smith (Howard)	3.88	
Southland Min'g	0.27	+0.01
Spargos Expl	0.4	
Thos. Natwide	1.85	+0.02
Tooth	5.5	
Vamgas	3.85	
Western Mining	3.14	−0.02
Westpac Bank	3.76	
Woodside Petrol	1.18	−0.02
Woolworths	2.7	
Wormald Intl	2.92	+0.62

HONG KONG

Oct. 10	Price H.K.$	+ or −
Bank East Asia	19.9	+0.1
Cheung Kong	7.85	−0.1
China Light	14.0	+0.1
Hang Lung Devel	2.47	
Hang Seng Bank	35.0	−0.5
HK Electric	5.9	
HK Kowloon Wh	3.8	−0.05
HK Land	3.02	−0.05
HK Shanghai Bk	6.65	
HK Telephone	43.5	+0.05
Hutchison Wpa	12.6	+0.5
Jardine Math	7.1	
New World Dev	3.62	−0.05
Orient O'seas	2.65	
O'seas Trust Bk	2.8	+0.05
SHK Props	6.9	+0.1
Swire Pac A	18.1	+0.2
Wheel'k Mard A	5.62	+0.2
Wheel'k M'time	1.46	
World Int. Hldgs	2.12	−0.03

JAPAN

Oct. 8	Price Yen	+ or −
Ajinomoto	1,110	−26
Alps Electric	2,400	+50
Amada	1,270	−10
Asahi Chem	525	+2
Asahi Glass	855	−5
Bridgestone	582	+7
Canon	1,610	
Casio Comp	1,580	−90
Chugai Pharm	1,090	+30
Citizen	614	+20
Daiei	645	
Dai Nippon Ptg	227	−25
Daiwa House	500	
Ebara	518	−4
Eisai	1,370	+80
Fanuc	19,200	+110
Fuji Bank	1,020	−30
Fuji Film	1,680	+10
Fujisawa	1,060	+10
Fujitsu	1,410	+10
Green Cross	1,690	+30
Hasegawa	385	
Heiwa Real Est	547	
Hitachi	862	−7
Hitachi Credit	1,030	
Honda	1,270	
House Food	710	−5
Hoya	2,420	−60
Itoh (C)	279	−1
Ito. Yokado	9,190	−70
Iwatsu	1,620	−40
JACCS	326	−4
JAL	4,240	−330
Jusco	792	+7
Kajima	270	+9
Kao Soap	786	+3
Kashiyama	605	−4
Kirin	520	−2
Kokuyo	930	−10
Komatsu	457	−3
Konishiroku	687	−8
Kubota	328	−1
Kumagai	435	+5
Kyoto Ceramic	7,150	−30
Maeda Const	444	−1
Makino Milling	1,470	−10
Makita	1,056	−10
Marubeni	393	−7
Marudai	693	+1
Marui	1,030	−50
MEI	1,620	−30
M'ta Elec Works	632	−8
M'bishi Bank	290	+90
M'bishi	510	+5
M'bishi Elec	420	+1
M'bishi Estate	470	+5

JAPAN (continued)

Oct. 8	Price Yen	+ or −
MHI	235	+4
Mitsui Co	331	+1
Mitsui Estate	642	−3
Mitsukoshi	363	+10
NGK Insulators	663	+4
Nihon Cement	200	
Nippon Denso	1,480	−20
Nippon Elect	1,250	−50
Nippon Express	300	+1
Nippon Gakki	1,320	+40
Nippon Kokan	137	−1
Nippon Oil	909	−1
Nippon Seiko	582	−2
Nippon Shimpan	516	−10
Nippon Steel	146	
Nippon Suisan	517	+1
NTV	11,410	−600
Nippon Yusen	220	
Nissan Motor	601	+2
Nisshin Flour	474	+4
Nisshin Steel	157	−1
Nomura	735	−3
Olympus	1,360	−40
Orient Leasing	3,600	−30
Pioneer	2,410	
Renown	612	−1
Ricoh	968	−7
Sankyo	910	+12
Sanyo Elect	616	−5
Sapporo	375	−1
Sekisui Prefab	571	−3
Seven-Eleven	8,740	−10
Sharp	1,140	
Shimadzu	630	−11
Shionogi	691	+6
Shiseido	1,200	−30
Sony	5,840	−20
Stanley	1,080	+40
S'tmo Bank	1,130	
S'tomo Elect	805	−4
S'tomo Marine	477	+12
S'tomo Metal	142	
Taihei Dengyo	468	+1
Taisei Corp	187	+1
Taisho Pharm	930	+4
Takeda	808	+13
TDK	5,280	−90
Teijin	423	+7
Teikoku Oil	704	−7
Tokyo Marine	630	+8
TBS	775	−7
Tokyo Elect Pwr	1,149	
Tokyo Gas	149	+1
Tokyo Sanyo	756	−4
Tokyo Style	722	+2
Tokyu Corp	261	−2
Toppan Print	860	+3
Toray	420	+2
Toshiba Elect	449	−1
TOTO	580	
Toyo Seikan	780	−10
Toyota Motor	1,340	−10
Victor	2,150	−10
Wacoal	775	−1
Yamaha	660	−4
Yamanouchi	1,690	+40
Yamazaki	650	−1
Yasuda Fire	321	+1
Yokogawa Bdge	405	

SINGAPORE

Oct. 10	Price $	+ or −
Boustead Hldgs	1.95	−0.01
Cold Storage	2.96	
DBS	8.9xa	
Fraser & Neave	5.45	
Genting	6.05	+0.05
Haw Par. Bros	2.11	+0.01
Inchcape Bhd	2.49	
Keppel Shipyard	2.79	
Malay Banking	8.5	
Malay Brews	8.9	+0.05
Multi Purpose	1.01	+0.01
OCBC	8.4	
OUB	5.14	
Sime Darby	1.97	+0.02
Straits St'mship	1.18	+0.02
Straits Trdg	4.96	−0.04
UOB	4.66	+0.02

SOUTH AFRICA

Oct. 2	Price Rand	+ or −
Abercom	1.46	+0.06
AE&CI	7.6	
Anglo Am Coal	36.5	
Anglo Am Corp	23.5	
Anglo Am Gold	159.5	+0.5
Barclays Bank	16.25	
Barlow Rand	10.5	−0.1
Buffels	81.75	+0.25
CNA Gallo	2	+0.3
Currie Finance	3.46	
De Beers	8.73	+0.05
Driefontein	56.5	−0.26
FS Geduld	55	+0.5
Gold Fields SA	28.5	−0.25
Highveld Steel	4.6	+0.1
Nedbank	12	+0.25
OK Bazaars	12.85	−0.05
Protea Hldns	1.6	−0.15
Rembrandt	25.25	
Rennies	12.75	
Rust Plat	15.75	
Sage Hldgs	7.25	+0.1
SA Brews	6	
Smith (C G)	18.05	
Tongaat Hulett	6.25	−0.05
Unisec	4.5	

NOTES — Prices on this page are as quoted on the individual exchanges and are last traded prices. Dealings suspended. xd Ex dividend. xc Ex scrip issue. xr Ex rights. xa Ex all.

CANADA

TORONTO

Closing prices October 10

[illegible]

MONTREAL

Closing prices October 10

[illegible]

Total sales: 1,911,368 shares

OVER-THE-COUNTER

Nasdaq national market, closing prices

[illegible]

AMERICAN STOCK EXCHANGE CLOSING PRICES

Continued from Page 39

[illegible]

LONDON

Chief price changes
(in pence unless otherwise indicated)

RISES

Tr 2pc i/l '06	£99⅝	+£¾
Acorn Computer	94	+ 7
Body Shop	313	+28
Bluemel Bros	14½	+ 2
Britannia Arrow	78	+ 5
Brooke Bond	124	+ 8
DRG	170	+13
Hawker Siddeley	453	+ 7
Hepworth	314	+10
Ibstock Johnsen	258	+ 8
Leech (Wm)	124	+ 9
Lex Service	373	+10
London & Nthn.	83	+ 4½
Microvitec	175	+15
Renishaw (nilpd)	66pm	+18
Rowntree M'tosh	340	+14
Sanderson Mry.	60	+ 7
Tate & Lyle	398	+11
Unigate	137	+ 8
Vosper	168	+10
Atlantic Res.	122	+10

FALLS

Tr 8pc '02–06	£81¼	−£½
Blockleys	550	−30
House of Lerose	126	−12
Plessey	226	− 8
Rayford Sup.	140	−13
Bryson O&G	300	−25
Eglinton O&G	103	−15
Osceolo Hydro	105	−15

Continued on Page 48

LONDON STOCK EXCHANGE

MARKET REPORT

Markets slowly stabilise after Tuesday's unexpected surge in UK money supply

Account Dealing Dates

Option

*First Dealings	Declarations	Last Dealings	Account Day
Sept 17	Sept 27	Sept 28	Oct 8
Oct 1	Oct 11	Oct 12	Oct 22
Oct 15	Oct 25	Oct 26	Nov 5

* "New-time" dealings may take place from 9.30 am two business days earlier.

Interest rate optimism, although dented by September's unexpected surge in UK money supply, continued to flicker yesterday in London stock markets. Tuesday's late announcement of a 1½ per cent rise in sterling M3 may have removed the immediate chance of lower base lending rates, but not all hope of cheaper credit. The authorities seem convinced that underlying monetary conditions remain favourable and point still to reduced borrowing costs later this year.

Thoughts that the U.S. Federal Reserve was willing to relax its credit policies in view of slower monetary growth, the resumption of the Nacods strike threat, were other stabilising factors. Turnover was relatively low in the two main investment areas of the market, but Government securities and leading shares both recovered from lower early levels.

Revived interest encouraged longer-dated Gilts to regain early losses and stand fractionally higher prior to the opening of the U.S. bond market. The latter flatteerd to deceive and Gilt-edged quotations later drifted back on disappointment with the performance. Index-linked stocks, however, met with renewed hedging business which found stock of these particular issues in short suply and quotations moved higher by ½ or so.

Equity markets were coloured by intense takeover speculation in the food sector following Unilever's increased offer for Brooke Bond. Unilever, after raising its bid from 114p to 125p cash for each BB share, purchased huge amounts of stock at the latter price and eventually succeeded in gaining control of their quarry; the BB board later gave its consent. Many other takeover candidates benefited as funds resulting from the sale of Brooke Bond shares were re-invested.

Leading industrials began a touch easier but gradually rallied to close on a mixed note. Depicting the slow nature of trade and subdued performance of most blue chip issues the FT Industrial Ordinary share index opened two points lower but picked up to stand a net 1.4 higher at 1 pm before closing 0.6 higher on balance at 866.8.

Clearers edge forward

Quietly firm conditions prevailed in the major clearing banks. Midland improved a few pence to 355p with sentiment helped by confirmation that its troubled U.S. subsidiary, Crocker National Corporation, had agreed to sell its San Francisco headquarters to Prudential Insurance Company of America for $358m cash. Lloyds gained 4 to 487p.

The Building sector displayed several noteworthy movements. A "chart buy" signal triggered fresh demand for Rugby Portland Cement which firmed 3 to a 1984 peak of 128p, while further buying left RMC 4 dearer at 362p. Ibstock Johnsen continued to reflect the good interim results and firmed 6 for a two-day gain of 19 to 258p, while takeover favourite William Leech attracted further buying interest and gained 9 more to 124p. French Kier rose 4 to 128p on suggestions that the group could resolve its Iraqi contract problems satisfactorily. Watts Blake Bearne moved up 8 to 206p in a restricted market. On the other hand, satisfactory half-year profits and an encouraging statement failed to sustain Higgs and Hill which softened 2 to 270p owing to a lack of interest. Blockleys were lowered 30 to 550p; Tarmac placed its 17.45 per cent stake with institutional investors at 500p per share and the former also proposes a placing of 215,000 shares at 500p to raise £1m for further development.

ICI opened higher at 664p and moved up to a 1984 peak of 668p on currency considerations prior to closing a net 4 up at 666p.

Stores subdued

One of the livelier sectors of late, leading Retailers paused for breath and closed with narrow mixed movements. Woolworth rose 7 more to 522p and Marks and Spencer a couple of pence to 116p, but recent high-flyer Burton eased 3 to 313p. Dealers reported similar subdued conditions among secondary Stores, although proceedings were enlivened by fresh demand for some speculative favourites. J. Hepworth featured a rise of 10 to 314p, after 316p; the preliminary figures are due towards the end of the month. Body Shop spurted 28 to 313p in a narrow market, while French Connection, 358p, and Elys (Wimbledon), 297p, firmed 10 apiece. In contrast, Rayford Supreme, the recently-strong south coast electrical retailers, encountered profit-taking and ran back 13 to 140p. House of Lerose slumped 12 to 126p following more-than-halved interim profits, while Time Products, which also revealed first-half figures, eased a couple of pence to 27p.

Plessey came on offer and fell 8 to 226p. Other Electrical majors displayed no set trend after a quiet trade. GEC reacted from an enhanced early level of 228p to finish a penny down on balance at 225p, but BICC continued firmly at 235p, up 2. Secondary issues were highlighted by rises of 18 in Renishaw, 283p, and the new nil-paid shares, 66p, following an investment recommendation. Acorn Computers reflected newspaper mention at 94p, up 7, while Microvitec jumped 15 to 175p on demand ahead of today's analysts' meeting with the company. Following the annual meeting, Ferranti improved 4 to 182p, while rises of 6 and 10 respectively were recorded in ElectroProtective, 110p, and International Signal and Control, 270p. Microfocus put on 15 to 865p and Emess Lighting, after comment on the bumper interim results, added 5 more at 170p.

Publicity given to a broker's profits forecast attracted further support for Hawker ahead of next Wednesday's half-year results and the close was 7 higher at 453p. TI edged forward a couple of pence to 192p as did Vickers, to 174p, but GKN softened a penny to 171p. Secondary Engineerings featured Vosper, 10 better at 168p, on speculative bid hopes. Tex Abrasives put on 3 to 62p and Parkfield Foundries hardened 2 to 33p. Profit-taking in the wake of their respective interim statements left Evered 3 lower at 130p and Spirax-Sarco 6 off at 218p. Westland fell 7 to 127p and Haden gave up 4 at 150p.

Unilever's revised and ultimately successful bid of 125p per share cash for Brooke Bond enabled investors to turn their attention to the Food sector's other bid candidates. Tate and Lyle, the original bidders for Brooke Bond, rose 11 to 398p, while prime takeover target Rowntree Mackintosh, drew strong support and gained 14 to 340p. Ranks Hovis McDougall added a penny at 100p, while Unigate rose 6 to 137p. Elsewhere, Hazlewood Foods moved up 30 to 770p in a restricted market and Bernard Matthews gained 8 to 215p.

Leading Hotels and Caterers generally suffered from a lack of interest. Ladbroke slipped 4 to 206p and Grand Metropolitan softened a couple of pence to 296p.

Johnson Matthey rally

A fairly subdued miscellaneous industrial sector was notable for a rally in recently-beleaguered Johnson Matthey which, at 110p, recovered 6 of last week's dramatic fall which followed shock news of the Bank of England's rescue of Johnson Matthey Banking. Elsewhere, London and Northern rose 4½ to 83p on buying ahead of the interim results, scheduled for October 23; the rise was also accompanied by talk that its United Medical Enterprises subsidiary has won another lucrative contract. Sketchley rose 4 to 372p on the proposed expansion of its retail cleaning operation in the North of England by offering outlets to franchises. Reflecting the profits recovery, J. W. Spear put on 2 to 80p, while Polly Peck, helped by call option activity, moved up 5 to 215p. AGI rose 15 to 315p and Extel added 8 at 343p. Profit-taking in the absence of the widely-rumoured bid left Pentland 10 lower at 223p and De La Rue 20 down at 705p for a similar reason. The leaders attracted only a moderate business and ended mixed. Still reflecting the disappointing annual profits, Glaxo cheapened 9 more to 965p.

Motor Components featured Lucas Industries which responded to fresh speculative demand and touched 231p before closing 3 up on balance at 229p. Bluemel Brothers firmed a couple of pence more to 14½p; on Tuesday Mandarin Resources sold a near-21 per cent stake in Bluemel to fellow Far-Eastern concern P. T. Cabrin. Among Distributors, Lex Service attracted support after-hours and improved 10 at 373p, while Alexanders, the subject of newsletter comment, hardened a penny to 7¾.

DRG again proved to be one of the day's more active counters and touched 178p before settling a net 13 dearer at 170p as Press comment stimulated revived takeover speculation.

Among Properties, City of Aberdeen Land Association rose 15 to 550p in reply to the good annual results and one-for-ten scrip issue proposal, while Westminster and Country continued to reflect the higher annual income and property revaluation with a fresh rise of 4 to a 1984 peak of 130p. Dares Estates firmed 1½ to 22p on news that Hampton Trust had agreed to sell its 12.9 per cent stake for £1.3m to two Dares' directors which, with other share purchases yesterday, increases their combined holding in Dares to 29.9 per cent. Slough Estates were unchanged at 143p; the group is raising approximately £40m by way of a debenture issue.

Textiles continued to make steady progress. S. Jerome, which revealed a smart recovery in first-half profits on Tuesday, firmed 4 more to 62p while Woolcombers Sanderson Murray and Eldor were marked up 7 to 60p following impressive preliminary figures.

Rothmans International fell 4 to 157p as brokers Wood Mackenzie downgraded its profits forecast to £168m and recommended holders to switch into Bats; Rothmans' West German subsidiary Martin Brinkmann is believed to be losing a substantial share of its domestic market to Bats' HB brand.

Britannia Arrow made fresh headway reflecting increasing takeover speculation and closed 5 up to record a two-day advance of 11 at 78p.

Atlantic Res. firm

Irish exploration issues continued to dominate proceedings in Oils. Atlantic Resources remained the most favoured stock and touched 126p before closing a net 10 better at 122p amid persistent speculation that operators Gulf Oil had made an oil discovery in the exploration well drilled on Block 49/10 in the Celtic Sea. Aran Energy also came in for support and moved up 2 to 53p. On the other hand, the Irish companies currently involved in exploration drilling in Colombia encountered selling pressure after-hours and closed with heavy losses. Bryson Oil dropped 25 to 300p, and Eglinton Oil and Osceolo Hydrocarbons shed 15 apiece to 103p and 105p respectively. Bula eased a fraction to 14p.

Leading Oils were generally a few pence easier across the board reflecting lack of interest. Shell closed 5 off at 665p and BP slipped 3 to 495p.

Golds drift

Most sectors of mining markets were virtually friendless. South African Golds retreated for the fifth consecutive trading day as another weak performance by the bullion price followed the dollar's strong showing. Gold shares were marked down at the outset and continued to drift easier throughout the day in the absence of any support from Johannesburg where markets were closed for the Kruger Day holiday. The rise in the dollar stifled any interest in Golds from Continental operators who were reluctant to pay steadily increasing prices for Gold shares in Continental currencies.

The Gold Mines index dipped 1.7 more to 555.9—extending the loss over the last five trading sessions to 24.6—while bullion continued its recent slide and closed a net $3 cheaper at $337.75 an ounce, its lowest point since the middle of last month.

Among leading heavyweights, Vaal Reefs remained particularly vulnerable and dropped £2 to £80¼. Western Holdings were almost a full point down at £29¾ ahead of the final dividend due on Thursday week along with the declarations from other OFS gold mines in the Anglo American group. St Helena gave up a half-point at a 1984 low of £78⅝ and Western Deep a like amount at $35¼.

London-domiciled Financials drifted easier on general lack of interest, although sentiment was not helped by the latest downturn in bullion and easier base-metal levels. Consolidated Gold Fields gave up 7 at 503p, after 500p, ahead of the annual report published today. Charter Consolidated continued to attract scrappy selling and dipped to 215p before settling a net 3 off at 218p.

Australians remained very much a backwater and displayed minor changes either way.

Subdued conditions in the underlying equity market hindered demand for Traded Options which attracted 2,507 contracts—1,901 calls and 606 puts. ICI were relatively active, however, and attracted 457 calls, 184 in the October 650's, and 121 puts.

FINANCIAL TIMES STOCK INDICES

	Oct. 10	Oct. 9	Oct. 8	Oct. 5	Oct. 4	Oct. 3	Year ago
Government Secs.	80.70	80.70	80.96	81.60	80.29	80.89	81.40
Fixed Interest	84.52	84.71	84.77	84.70	84.61	84.49	84.30
Industrial Ord	866.8	866.2	866.5	863.2	857.8	857.4	692.1
Gold Mines	555.9	557.6	561.8	575.9	579.0	580.5	549.1
Ord. Div. Yield	4.86	4.86	4.84	4.85	4.88	4.29	4.86
Earnings, Yld.% (full)	11.58	11.26	11.56	11.66	11.65	11.66	9.68
P/E Ratio (net) (*)	10.29	10.29	10.40	10.39	10.31	10.29	12.94
Total bargains (Est.)	18,845	19,422	19,220	18,176	18,011	18,840	20,024
Equity turnover £m.	—	252.01	246.41	305.75	261.54	262.12	123.53
Equity bargains	—	16,609	16,471	16,051	130,60	16,607	16,051
Shares traded (ml)	—	141.4	129.7	159.3	150.2	101.5	117.7

10 am 864.2. 11 am 865.2. Noon 867.2. 1 pm 867.6.

2 pm 866.6. 3 pm 866.8.

Basis 100 Govt. Secs. 15/2/26. Fixed Int. 1928. Industrial 1/7/35. Gold Mines 12/9/55. SE Activity 1974.

Latest Index 01-246 8026.

Nil=9.88.

HIGHS AND LOWS

—	1984 High	1984 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs	83.77 (9/1)	75.72 (30/7)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	87.48 (14/5)	80.43 (30/7)	155.4 (28/11/47)	50.03 (3/1/75)
Ind. Ord.	922.9 (5/5)	755.0 (23/7)	922.9 (3/5/84)	49.4 (26/6/40)
Gold Mines	711.7 (9/5)	486.7 (1/6)	734.7 (15/2/83)	43.5 (26/10/71)

S.E. ACTIVITY

	Oct. 9	Oct. 8
Daily		
Gilt Edged Bargains	147.4	154.4
Equities Bargains	107.6	106.7
Value	524.6	426.0
5-day Average		
Gilt Edged Bargains	160.3	149.6
Equities Bargains	103.5	109.9
Value	534.5	530.9

FT-ACTUARIES SHARE INDICES

These Indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

EQUITY GROUPS & SUB-SECTIONS. Figures in parentheses show number of stocks per section	Wed Oct 10 1984: Index No.	Day's Change %	Est. Earnings Yield% (Max.)	Gross Div. Yield% (ACT at 30%)	Est. P/E Ratio (Net)	Tues Oct 9 Index No.	Mon Oct 8 Index No.	Fri Oct 5 Index No.	Thur Oct 4 Index No.	Year ago (approx.) Index No.
[illegible]										

FIXED INTEREST

PRICE INDICES	Wed Oct 10	Day's change %	Tues Oct 9	xd adj. today	xd adj. 1984 to date
[illegible]					

AVERAGE GROSS REDEMPTION YIELDS	Wed Oct 10	Tues Oct 9	Year ago (approx.)
[illegible]			

BRITISH GOVERNMENT INDEX-LINKED STOCKS

†Flat yield. Highs and lows record, base dates, values and constituent changes are published in Saturday issues. A list of constituents is available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 15p, by post 28p. ●Corrected figures for 9/10/1984.

EUROPEAN OPTIONS EXCHANGE

Series	Nov. Vol.	Nov. Last	Feb. Vol.	Feb. Last	May Vol.	May Last	Stock
GOLD C $350	81	5.30	10	14.50 A	—	—	$357.80
GOLD C $375	68	2	27	7.60	4	15	"
GOLD C $400	1	1.10	46	3	—	—	"
GOLD P $325	—	—	98	6	91	7	"
GOLD P $350	7	13	0	12	100	10	"
GOLD P $375	8	37.20 B	—	—	—	—	"
	Dec.		Mar.		June		
SILVER C $7	2	0.40	66	0.75	6	1.05	$7.15
SILVER C $8	—	—	64	0.60	—	—	"
SILVER C $10	33	0.06	4	0.08	—	—	"
[illegible]							

TOTAL VOLUME IN CONTRACTS: 25,418

A=Ask B=Bid C=Call P=Put

RECENT ISSUES

EQUITIES

Issue price p	Amount paid up	Latest Renunc. date	1984 High	1984 Low	Stock	Closing price p	+ or –	Net Div.	Times covered	Gross Yield	P/E Ratio
[illegible]											

FIXED INTEREST STOCKS

Issue price £	Amount paid up	Latest Renunc. date	1984 High	1984 Low	Stock	Closing price £	+ or –
[illegible]							

"RIGHTS" OFFERS

Issue price p	Amount paid up	Latest Renunc. date	1984 High	1984 Low	Stock	Closing price p	+ or –
[illegible]							

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimates. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. g Assumed dividend and yield. u Forecast dividend cover based on previous year's earnings. C Canadian. F Dividend and yield based on prospectus or other official estimates for 1985. H Dividend and yield based on prospectus or other official estimates for 1983-84. Q Gross. p Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation merger or take-over. ‖‖ Allotment letters (or fully-paid). ‖‖ Introduction. ✠ Unlisted Securities Market. § Placing price. T Figures assumed. † Units comprising one ordinary share and one option.

NEW HIGHS AND LOWS FOR 1984

NEW HIGHS (60)

INTL. BANK OVERSEAS GOVT STLG ISSUES (1)
Mexico 12½pc 2008

BRITISH FUNDS (1)
Treas 3pc 1986

AMERICANS (5)
Am Nat Resources, Florida Power Light, Campbell Soup, Pennzoil, City Inv

CANADIANS (2)
BCE, Echo Bay Mines

BANKS (1)
Ottoman Bank

BUILDINGS (3)
Ibstock Johnsen, Watts Blake, Rugby Portland Cem

CHEMICALS (1)
ICI

STORES (2)
Body Shop Intl, Hepworth (J.)

ELECTRICALS (6)
Emess Lighting, Renishaw, Ferranti, Scantronic, Int Signal & Control, Utd Leasing

ENGINEERING (2)
Metalrax, Tex Abrasives

FOODS (2)
Brooke Bond, Unigate

HOTELS (1)
Strikes Restaurants

INDUSTRIALS (10)
Advance Services, MCD Group, Berisfords, Phillips Patents, Black Arrow, Ryan Intl, China Light, Tomkins (F. H.), Courtney Pope, Whatman Reeve An

INSURANCE (2)
Britannic Assur, Refuge Assur

LEISURE (4)
Samuelson Group, TVS NV, Scottish TV A, Ulster TV NV A

PAPER (6)
Assoc Paper, DRG, Bunzl, Good Relations, Carlton Comms, Saatchi & Saatchi

PROPERTY (3)
Austmark Intl, West & Country, Intl Inc Property

TEXTILES (1)
Dawson Intl

TRUSTS (4)
Ambrose Inv Cap, Jove Inv Cap, Equity Consort, Duncan Goodricke

PLANTATIONS (2)
Lawrie Group, Moran Tea

MINES (1)
Sons of Gwalia

NEW LOWS (21)

AMERICANS (1)
Caterpillar Tractor

CANADIANS (1)
Pecos Res

ELECTRICALS (4)
Resource Technology, Wordplex, Systems Reliability, Zygal Dynamics

ENGINEERING (1)
Willey

FOODS (2)
Bensons Crisps, Bio-Isolates

INDUSTRIALS (6)
Anglo African Fin, Redfearn Nat Glass, Bruntons (Mussel), Rotaprint 11½pcPf, Johnston Group, Wills (George)

MOTORS (1)
Bramall (C. D.)

SOUTH AFRICANS (1)
Barlow Rand

OVERSEAS TRADERS (1)
Nesco Invs

PLANTATIONS (2)
Harrisons Malay Plan, Kuala Kepong

MINES (1)
St Helena

OPTIONS

First Dealings	Last Dealings	Last Declaration	For Settlement
Oct 8	Oct 19	Jan 10	Jan 21
Oct 22	Nov 2	Jan 24	Feb 4
Nov 5	Nov 16	Feb 7	Feb 18

For rate indications see end of Share Information Service

Stocks favoured for the call included Duport, Premier Oil, Phillips Patents, Brunswick Oil, Blackwood Hodge, Manganese Bronze, Dunlop, Inter-City, Body Shop, Eglinton Oil and Gas, Meggitt, Imps, Bats, Riley Leisure, Hogg Robinson, Renishaw, Atlantic Resources and Polly Peck. No puts or doubles were reported.

RISES AND FALLS YESTERDAY

	Rises	Falls	Same
British Funds	36	34	34
Corpns. Dom. & Foreign Bonds	3	20	66
Industrials	242	249	919
Financial & Props.	71	75	362
Oils	74	32	91
Plantations	3	3	12
Mines	26	65	89
Others	72	43	72
Totals	466	521	1,644

TUESDAY'S ACTIVE STOCKS

Based on bargains recorded in Stock Exchange Official List.

Stock	No. of changes	Tues. close	Day's change
DRG	16	157	+ 4
Sears Hldgs	15	79½	– 4
STC	15	282	– 4
Hawker Siddly	13	446	+11
Prudential Corp	12	473	+ 6
Barclays Bank	11	515	+ 5
Fisons	11	250	+ 8
Legal & General	11	520	+ 5
LASMO	11	338	–10
Royal Ins	11	496	+ 5
BAT Inds	10	265	—
NatWest Bank	10	552	+ 9
Renishaw Newt	10	48pm	—
RTZ	10	592	+ 2

†Nil-paid

ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday.

Stock	Closing price	Day's change
Acorn Computer	94	+ 7
Atlantic Resources	122	+10
Britannia Arrow	78	+ 5
British Home Stores	237	– 2
Brooke Bond	124	+ 8
DRG	170	+13
Eglinton Oil and Gas	103	–15
Microvitec	175	+15
Pentland Industries	223	–10
Renishaw	283	+19
Rothmans International	157	– 4
Rowntree Mackintosh	340	+14

LONDON TRADED OPTIONS

Option		Calls Oct.	Calls Jan.	Calls Apr.	Puts Oct.	Puts Jan.	Puts Apr.
B.P. (*496)	390	110	117	122	1½	4	6
	420	80	90	95	1	5	8
[illegible]							

Option		Calls Nov.	Calls Feb.	Calls May	Puts Nov.	Puts Feb.	Puts May
Imperial Gp. (*187)	140	38	34	37	1	3	4
	160	13	16	17	5	7	8
[illegible]							

Oct. 10. Total Contracts 2,507. Calls 1,901 Puts 606
* Underlying security price.

FT LONDON SHARE INFORMATION SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

1984 High	Low	Stock	Price £	+ or -	Yield Int.	Red.
105¾	101½	Treas. 15pc 1985	101½	-⅛	14.78	10.38
102¾	100	Exch. 12pc Cnv. '85	100⅝	+⅛	11.93	10.50
95¾	93⅜	Treas 3pc 1985	95⅜	-⅛	3.14	10.50
102⅝	99½	Treas 11½pc 1985	100½	+⅛	11.44	10.69
99¾	96⅛	Treas 8¾pc Cnv '85	98⅜	.....	8.89	10.65
104⅛	99⅞	Exch. 12¼pc 1985	101⅛	.....	12.08	10.80
103⅛	99⅛	Exch. 11¾pc '86	100⅞	+⅛	11.64	10.94
102⅛	96⅛	Treas. 10pc Cnv 1986	98⅝	+⅛	10.14	11.03
91⅛	88¼	Treas 3pc 1986	91⅛	+⅛	3.29	8.92
102	96⅞	Exch. 10½pc Cv '86	99⅛	+⅛	10.60	11.12
104⅛	99⅛	Treas 12pc 1986	101⅛	+⅛	11.87	11.23
98¼	93½	Treas 8½pc 1984-86‡‡	96⅛	+⅛	8.85	11.04
108⅛	102⅛	Exch. 14pc 1986	105	.....	13.33	11.22
87¾	85	Exch. 2½pc 1986	87⅛	+⅛	2.87	9.38
107⅛	100⅛	Exch. 13¼pc 1987	103⅛	+⅛	12.79	11.36
100⅞	94½	Treas 10¼pc Cv '87	97⅝	.....	10.50	11.38
86½	83½	Exch 2½pc 1987	85⅛	+⅛	2.91	9.29
101⅛	94½	Exch. 10½pc 1987	98⅛	+⅛	10.70	11.39
92⅛	87	Funding 6½pc '85-87‡‡	90⅛	+⅛	7.21	11.04
99⅞	92⅞	Treas. 10pc 1987	96⅛	+⅛	10.37	11.56
85	81⅛	Treas 3pc 1987	83⅛	+⅛	3.58	9.83
105	97¼	Treas. 12pc 1987	101⅛	+⅛	11.84	11.47
94⅞	87⅛	Treas 7¾pc 1985-88‡‡	90½	.....	8.56	11.25
100⅞	92⅛	Exch 10½pc '88	97⅛	+⅛	10.81	11.54
98⅛	89⅛	Treas 9¼pc Cv '88	94⅛	+⅛	10.32	11.61
82	77	Transport 3pc '78-88	78¼	+⅛	3.83	10.15
96⅛	88⅛	Treas. 9½pc '88	93⅛	+⅛	10.21	11.71
106⅞	94⅛	Treas 11½pc 1989	99⅛	.....	11.57	11.65
95⅛	87⅛	Treas 9½pc Cnv. '89	93⅛	.....	10.16	11.34
96⅛	90⅛	Treas 10½pc 1989	95¾	-⅛	10.97	11.69
100⅛	88⅛	Exch. 10pc 1989	94⅛	+⅛	10.63	11.60
98¼	94½	Exch 11pc 1989	97⅛	+⅛	11.29	11.66

Five to Fifteen Years

Over Fifteen Years

Undated

Index-Linked

INT. BANK AND O'SEAS GOVT STERLING ISSUES

CORPORATION LOANS

COMMONWEALTH AND AFRICAN LOANS

LOANS

Building Societies

Public Board and Ind.

Financial

FOREIGN BONDS & RAILS

AMERICANS

CANADIANS

BANKS, HP & LEASING

Hire Purchase, Leasing, etc.

BEERS, WINES & SPIRITS

BEERS, WINES—Cont.

BUILDING INDUSTRY, TIMBER AND ROADS

CHEMICALS, PLASTICS

DRAPERY AND STORES

DRAPERY & STORES—Cont.

ELECTRICALS

ENGINEERING

ENGINEERING—Continued

FOOD, GROCERIES, ETC

HOTELS AND CATERERS

HOTELS—Continued

INDUSTRIALS (Miscel.)

INDUSTRIALS—Continued

INSURANCES

LEISURE

LEISURE—Continued

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING ADVERTISING

PROPERTY

PROPERTY—Continued

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

INVESTMENT TRUSTS—Cont.

Finance, Land, etc

OIL AND GAS

OIL AND GAS—Continued

OVERSEAS TRADERS

PLANTATIONS

Rubbers, Palm Oil

Teas

MINES

Central Rand

Eastern Rand

Far West Rand

O.F.S.

Finance

Diamond and Platinum

MINES—Continued

Central African

1984 High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's
280	145	Falcon Z50c	160	.....	Q100c	♦	36.4
11	8	Wankie Col. Z$1	10	.....	—	—	—
21	14	Zam Cpr.SBD 24	16	.....	—	—	—

Australians

Tins

Miscellaneous

NOTES

REGIONAL & IRISH STOCKS

The following is a selection of Regional and Irish Stocks, the latter being quoted in Irish currency.

Albany Inv 20p	82xd	.....	Arnott	195	.....
Craig & Rose £1	£11	.....	CPI Hldgs	57	.....
Finlay Pkg. 5p	44xd	.....	Carroll Inds.	116	.....
Higsons Brew.	83	.....	Dublin Gas	65	.....
Holt (Jos) 25p	890xd	.....	Hall (R. & H.)	47	.....
IoM Stm. £1	105	.....	Heiton Hldgs.	15	.....
IRISH			Irish Ropes	35	.....
Exch. 12% 1985	£98¾	.....	Jacob (W & R.)	61	+2
Nat 9¾% 04/89	£84	+¼	TMG	65	+7
Fin. 13% 97/02	£89½	+¼	Unidare	78	–2

OPTIONS — 3-month call rates

Industrials	p				
Allied-Lyons	15	Hawker Sidd	38	Vickers	14
BOC Grp	27	Hse of Fraser	26	Woolworth Hldg	50
BSR	26	ICI	42		
Babcock	17	"Imps"	12	**Property**	
Barclays Bank	45	ICL	7½	Brit Land	11
Beecham	32	Ladbroke	23	Cap Counties	16
Blue Circle	40	Legal & Gen.	45	Land Secs	25
Boots	16	Lex Service	40	MEPC	25
Bowaters	25	Lloyds Bank	50	Peachey	17
Brit Aerospace	20	"Lofs"	3	Samuel Props	12
BAT	15	Lucas Inds	28	Sterling Guar.	4
Brown (J)	3	"Mams"	14		
Burton Ord	22	Marks & Spcr	20	**Oils**	
Cadburys	11	Midland Bk	36	Brit. Oil & Min.	9
Comm Union	16	NEI	10	Brit Petroleum	35
Courtaulds	11	Nat West Bk	60	Burmah Oil	17
Debenhams	14	P & O Dfd	25	Charterhall	9
Distillers	22	Plessey	20	Premier	6
Dunlop	5	Racal Elect	18	Shell	55
FNFC	6½	RHM	8	Tricentrol	20
Gen Accident	42	Rank Org Ord	24	Ultramar	60
Gen Electric	16	Reed Intnl	40		
Glaxo	70	Sears	8	**Mines**	
Grand Met	30	TI	22	Charter Cons.	24
GUS "A"	55	Tesco	16	Cons Gold	58
Guardian	50	Thorn EMI	55	Lonrho	22
GKN	20	Trust Houses	18	Rio T Zinc	60
Hanson Tst	17	Turner Newall	10		
		Unilever	75		

A selection of Options traded is given on the London Stock Exchange Report page.

"Recent Issues" and "Rights" Page 43

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £700 per annum for each security.

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

Abbey Unit Tst. Mngrs. (a)

Britannia Group—Continued

Brown Shipley & Co. Ltd. (a)(g)

Framlington Unit Mgt. Ltd. (a)

Key Fund Managers Ltd. (a)(g)

Perpetual Unit Trust Mngmt. (a) (z)

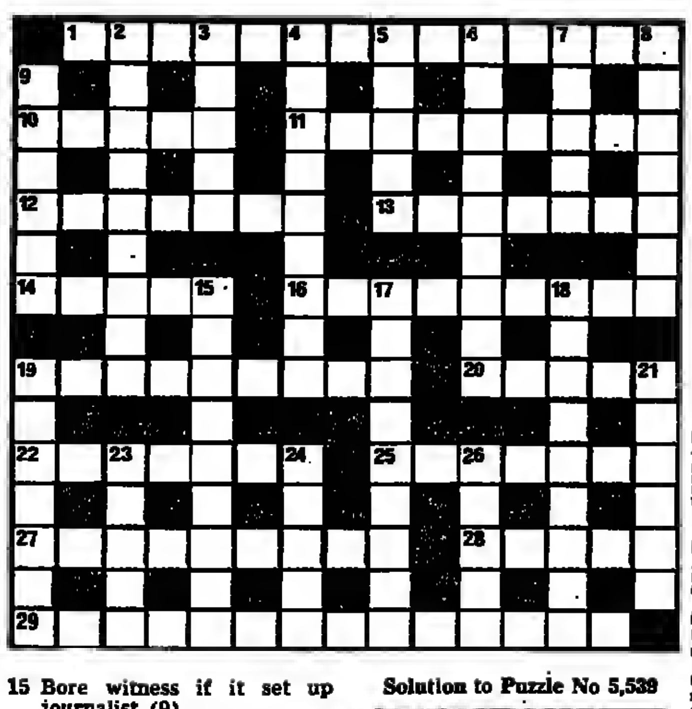
Touche, Remnant Unit Trust Mgt. Ltd.

INSURANCES

AA Friendly Society

Abbey Life Assurance Co. Ltd. (z)

F.T. CROSSWORD PUZZLE No. 5,540



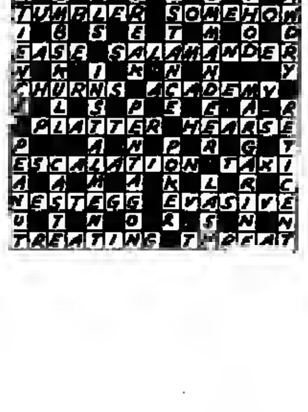
ACROSS

1 He created the heart of life (7, 7)
10 Thomas the novelist can turn into a monster (5)
11 Air traveller providing food for picnic? (9)
12 Vehicle doesn't start—there's scope to put in order (7)
13 Young girl married head through stupidity (7)
14 Good type to gamble (5)
16 Rose that I cultivated causes someone to stammer (9)
19 Vulgarian starry concerning land register (9)
20 Papal type? (5)
22 An offer in guineas is permanent (7)
25 I'd enter sports programme that can be seen (7)
27 Cleaner goes to island slates for cats' concert (9)
28 American Indian is no wise man (5)
29 Does Tyler's girl produce annual publication? (6, 8)

DOWN

2 Below golf club there's a coppice (9)
3 Long story about Egypt (5)
4 Additional fee for this course (9)
5 How to start making money in U.S.A? (5)
6 It shows you've gone through your paces! (9)
7 Angry buccaneer loses his head (5)
8 Mechanic agrees repair starts right away (7)
9 Animals accept he deceives (6)
15 Bore witness if it set up journalist (9)
17, 26 Lingers indoors arranging hand tools (9, 5)
18 Gentle form of painting on edges of table (9)
19 Opportunity many get in part of church (7)
21 Teachers lift up stone and find seasoning (6)
23 For him, a God provides a perfect state (5)
24 Brilliance they say seeing varnish (5)
26 See 17

Solution to Puzzle No 5,539



هكذا من الأصل

INSURANCE, OVERSEAS & MONEY FUNDS

Liberty Life Assurance Co Ltd
Station Rd, New Barnet. 01-440 8210
Fund Managers, Touche Remnant & Co.

Sel Sec A	25 0	26.4	....	—
Blue Chip	20.2	21 3	....	—
Fund Yield	18.8	19.8	....	—
Guaranteed Mny	15.2	16.0	....	—
Managed	18 8	19.9	....	—
International	25.1	26.5	....	—
Property	15 9	16 7	....	—
Pacific	19.3	20 8	....	—
Equity	15.0	15 8	....	—
Special Sits	21.9	23.1	....	—
Int Currency	13 6	14.4	....	—
Index Linked Secs	10 7	11.3	....	—
American	19.4	20 5	....	—

Life Assur. Co. of Pennsylvania
6, New Rd, Chatham, Kent. Medway 812340

LACOP Units	11.49	14.17	....	—

Lloyds Life Assurance
20, Clifton St, EC2A 4HX. 01-920 0202

Multi Grwth Oct 5	£2.87477		....	—
Multi Grwth 'A' Oct 5	263.5	276 1	....	—
Op 8 Prop Oct 4	262.2	276.1	....	—
Op 0 Equity Oct 10	328 0	346.2	+0 1	—
Op Hy Oct 4	264.7	278.7	....	—
Op 0 Man Oct 4	320.6	537.5	....	—
Op 8 Dep Oct 9	197.3	207.5	....	13 78
Op 8 Bond Oct 9	175.2	184.5	....	—
Op 8 Inc Dist Oct 4	135.4	142.4	....	0.90
Op 8 Int Man Oct 9	186.2	196.1	....	—
Op 8 US$ Oct 4	145.1	152.8	....	12.32
Pens B Pr Ac Sept 14	331.4	348.9	....	—
Pens B Eq Ac Sept 14	904.6	952.3	....	—
Pens B FI Ac Sept 14	381.7	401.8	....	—
Pens B Md Ac Sept 14	558.2	587.6	....	—
Pens B Dp Acc Sept 14	310 0	326.4	....	—
PensBGart Glob Sept 14	100.2	105.5	....	—
Pens 0 Gart NA Sept 14	105 A	111 5	....	—
PensBGart Pac Sept 14	96.5	101 6	....	—

For Pensions Capital Units please ring extension 510

Britannia Funds—Series A

Am Smlr Co's Oct 10	151.0	152.9	−1.0	—
Am Spec Sits Oct 10	151 6	159.6	−0.2	—
Commodity Oct 10	79 1	83 3	−0.7	—
Extra Inc Oct 10	109.3	115 1	+0.7	—
Far East Oct 10	107.6	113.3	+0.3	—

National Provident Institution
48, Gracechurch St, EC3P 3HH. 01-623 4200

Managed	181 2	191 9	+0 7	—
UK Equity	195 1	206 1	+0 1	—
Overseas Eq	186 5	196 4	+1 5	—
American	187 8	137.7	+6.4	—
Far East	175 0	184.3	−0 4	—
Property	110 0	116 7	....	—
Fixed Int	157.1	166 0	+0 7	—
Indexed Gilt	100.2	105.5	+0 5	—
Deposit	112.1	118 1	....	—

Pension Fund Prices

Man Initial	182.3	191 9	....	—
Man Acc.	201 0	211.6	+0 2	—
Uk. Eq Initial	183 1	192 8	+0 1	—
Uk. Eq.	199 2	209 7	+0 2	—
Overseas Eq. Initial	203 0	214 6	+0.3	—
Overseas Eq.	232 2	244.5	+0.3	—
American Initial	201 7	212 4	+0 6	—
American	220 6	212 0	+0.5	—
Far East Initial	218 4	229 9	−0 7	—
Far East	239 1	251.7	−0 7	—
Prop Initial	105 8	111 4	+0 1	—
Prop	115.5	121.6	+0.1	—
Fixed Int. Initial	141.9	149 4	+0 3	—
Fixed Int.	154.4	162.6	+0 1	—
Indexed Gilt Initial	95 0	100 1	+0 4	—
Indexed Gilt	103.9	109.[illegible]	+0.[illegible]	—
Deposit Initial	110 6	116.[illegible]	+0 1	—
Deposit	121.5	127.[illegible]	+0 1	—

NPI Pensions Management Ltd.

Managed Fund	498.9	611 7	....	—

Prices Sept 28. Next dealing October 1.

New Zealand Insurance PLC
110/114, Baxter Avenue, Southend. (0302) 344559

Kiwi Key (Managed)	344.1	354 7	....	—
UK Equity	150.6	158.5	+0.2	—
American	244.3	259 3	−0 2	—
Pacific	362.1	381.1	+0.5	—
Property	151 2	159.1	....	—
Gilt	173 0	182.7	+0.1	—
High Inc. Equity	139.0	146.9	+0.3	—
High Inc. Fxd. Int.	102 7	108.1	−0.2	—
Deposit	147 8	155 5	....	—
Index-Linked Gilt	103 4	108.8	+0 4	—

Norwich Union Insurance Group
PO Box 4, Norwich NR1 3NG. 0603 22200

NUIG (Managed Funds) Ltd.

Save & Prosper Group
28, Western Rd, Romford RM1 3LB.

Schroder Life Assurance Ltd.
Enterprise House, Portsmouth.

World Wide Growth Management
10a, Boulevard Royal, Luxembourg

Worldwide Gth Fd	$11 53		−0 06	—

Inv. Adv.: M. & G. Inv. Mngt., Ltd., London.

Wren Commodity Management Ltd.
10, St George's St, Douglas IoM. 0624 25015

Wren Com Fund	15 0	13 6	....	3.10
Chinese Fund	59.0	62 3	....	2 70
Precious Metal Fund	123.2	128.7	....	8.30
Vanguard Cmdy Fd	25.9	26.6	....	2.26
Financial Futures Fd.	40 1	41.8	....	—

Yamaichi Dynamic Mngt Co SA
10A Boulevard Royal, Luxembourg

Dynamic Gwth Fd	$9.66		−0.01	—

OFFSHORE AND OVERSEAS

Money Market Trust Funds

Mallinhall Ltd
50 Berkeley Sq, W1X 5DA. 01-499 6634

The Money Market Trust
03 Qn Victoria St, EC4N 4ST. 01-250 0952

Oppenheimer Money Management Ltd
66 Cannon St, EC4N 6AE 01-236 1425

	Nom	Apr	Int Cr	Notice
M'hall Mny Fd	9.88	10.27	Qtrl	Call
Call Fnd	10 64	11.00	+0 10	Call
7-day Fnd.	10.55	10.90	+0 04	7-day
Call Fnd.	10.64	10 42	6 mth	Call
7-day Fund	10.25	10 51	6-mth	7-day
Money Mngt. Acct.	10.37	10 79	3-mth	Call
Dollar	8 75	0 94	6-mth	2-day

Money Market Bank Accounts

Aitken Hume
30 City Road, EC1Y 2AY. 01-638 6070

Bank of Scotland
38 Threadneedle St, EC2P 2EH. 01-628 8060

Barclays Prime Account
PO Box 125, Northampton 0604 252891

Britannia Grp of Investment Companies
29 Finsbury Circus, EC2M 5QL 01-588 2777

Charterhouse Japhet plc
1 Paternoster Row, EC4M 7DH. 01-248 3999

	Nom	APR	Int Cr	Notice
Treasury Acc.	10 375	10 78	Qtr	Call
Monthly Inc. Cap. Acc.	10 25	10 74	Mth	Call
Cheque Acc	00.10	10 58	Mth	Call
High Int. Cheque	10 25	10.65	Qtr	Call
Cater Allen	10 315	10 883	Mth	Call
Sterling	10 25	10 75	Mth	Call
U.S. Dollar	10.50	11 17	Mth	[illegible]

COMMODITIES AND AGRICULTURE

EEC gives relief from milk levy

BY IVO DAWNAY IN BRUSSELS

EEC COMMISSIONERS yesterday agreed to relieve farmers of some of the financial pressure of the newly-introduced super-levy on excess milk production by reducing the initial payment due on November 15.

Under the Brussels agreement in March, which introduced the scheme, farmers would have been expected to pay the levy on all production over their allotted quota for the first two quarters of the April-March marketing year.

The European Commission has since acknowledged that this would put a heavy burden on many farmers who have chosen to maximise production in the summer months, when grass is plentiful, before culling herds in the winter when expensive feed needs to be bought.

By cutting the November payment to 50 per cent of the original rate the commission has averted the prospect of having to repay farmers for larger than necessary contributions at the mid-term point when their year-end totals are drawn up.

The effect of the change will be to further extend the shortfall in funds for the 1984 farm budget, by between Ecus 100m (£59m) and Ecus 200m through lost receipts. This, however, should be covered by the supplementary budget agreed by the Ten at Luxembourg last week.

Britain, The Netherlands and Denmark had opposed the change when it was first mooted. They feared it would be a step towards a dilution of the super-levy system.

Last night, however, a commission official insisted there was no question of reducing the total payment at the end of the marketing year.

World sugar values grow

BY RICHARD MOONEY

WORLD SUGAR values turned upward again yesterday reflecting overnight strength in New York and news of an unexpectedly large Egyptian purchase on Tuesday.

In the morning the London daily price was fixed $5 up at $130 a tonne, the highest level since early July, and on the London futures market the March position climbed to $166 a tonne before profit taking trimmed it to $164.50, up $3.20 on the day.

At Tuesday's tender Egypt had been expected to buy only about 20,000 tonnes of white sugar but New York traders reported it had actually taken about 80,000 tonnes.

At yesterday's weekly export tender in Brussels the EEC Commission granted export licences covering 45,350 tonnes of whites with a maximum subsidy of Ecu 37.059 per 100 kg. London dealers said the tonnage was a little below expectations but thought the tender result had little market impact.

In Bonn the Agriculture Ministry cut its estimate for total West German sugar production in the 1984-85 campaign to 2.62m tonnes from a forecast of 2.63m, reports Reuter.

The figure compares with output of 2.49m tonnes in 1983-84.

The main reason for the revision was bad weather in the Rhineland, the country's third-largest growing area, which delayed harvesting

Unleaded petrol contract to start

By Nancy Dunne in

THE New York Mercantile Exchange (NYMEX) will consolidate its dominance of U.S. energy futures with the introduction of an unleaded petrol contract starting December 3.

A similar contract but with a different delivery point was introduced on the Chicago Board of Trade in 1982. While the contract did well for a time it ultimately failed because it lacked an East Coast delivery point, exchange officials say.

The NYMEX contract is much like its successful leaded petrol contract and has New York Harbour delivery. NYMEX leaded petrol futures began trading in 1981. Volume has risen from 104,000 lots in 1982 to 571,000 in the first seven months of this year with daily turnover now averaging more than 3,000 lots.

NYMEX officials say that recent changes in the physical market for unleaded petrol indicate that the time has come for unleaded petrol futures.

Mr Michael Marks, the exchange's chairman, said: "The use of lead in gasoline is declining rapidly. Tightening government restrictions in leaded gasoline, and the growing number of vehicles in the U.S. fleet using unleaded gasoline, are shifting trade interest and hedging needs to the unleaded product."

Meanwhile, the Commodity Futures Trading Commission yesterday approved trading in copper futures on MidAmerica Commodity Exchange. The contract is likely to be listed early next month.

Contract size will be 12,500 lbs, compared with the New York Metal Market's (Comex) contract of 25,000 lbs.

The deliverable grade copper at MidAm will be grade 2 electrolytic copper cathode.

Vegetable oil markets in turmoil

BY JOHN BUCKLEY

AFTER MONTHS of moving in concert, vegetable oil markets have begun to develop widely divergent price trends as some items face retreating custom and others run into unexpected supply problems, according to European dealer and shipper sources.

Perhaps the most startling development in recent weeks has been the steep rise in coconut oil prices as supplies were cut off by a series of crop disasters.

Production by the world's main supplier, The Philippines, had already reached a nine-year low earlier this year but most dealers were expecting copra output to recover sharply as new hybrid coconut plantations came on stream. Instead, long drought and a succession of typhoons have pushed back hopes of improved supply until 1985.

With supplementing supplies from the smaller producer Sri Lanka halved by that country's worst-ever drought, the market will remain "supply-led" for the near term, dealers predict.

Already this situation has forced prompt shipments of coconut oil into the European market up by well above $300 (£244) a tonne, putting them 55 per cent higher than at this corresponding time last year and three times more expensive than in the autumn of 1982.

To some extent these prices are a result of dealers being caught without cover, though coconut's limited range of substitution is another factor.

Brokers are mixed in their forecasts of how this will affect end-consumption in the major markets.

Another factor has been the tug of war with the nearest market rival, palm kernel oil, which is in improving supply. At one stage it appeared kernel oil would anchor the price rise in coconut oil but the latter's pull has been so strong that the cheaper substitute has been forced up by about $130 a tonne.

Dealers say the gap between the two oils is still far too wide and it is likely to be kernel oil which rises.

The strength in the lauric oil sector, coco and palm kernel, has been largely responsible for disguising the structural surplus looming in the palm oil market. Traders note August production of Malaysian palm oil reached 363,236 tonnes.

This was 10,000 tonnes to 20,000 tonnes under earlier estimates but sharply higher than last year.

Because this year's palm oil output is still running sharply higher than last year's, there is no shortage of supply on the origin refining markets.

Malayan exporters have failed to concentrate enough on recapturing the smaller markets which collectively provided an enormous growth area until this year, when supplies ran short and high prices turned them to soya and rape oils, dealers say.

The Malaysians are also said to have been counting on shipments of refined palm to the U.S. at last autumn's high rate of 30,000 tonnes to 60,000 tonnes a month.

That demand, however, was based on the strong soya oil market in the wake of last year's U.S. drought. This year, U.S. soya oil supplies will return to near normal.

Malaysia will also encounter more competition from Indonesia which is expected to ship 25,000 to 30,000 tonnes a month in the October-December period. Some traders expect Malaysia to cut crude and refined palm oil export duties soon to get the market moving again.

In the "premium soft" sector, sunflower and groundnut oil are also fighting for price direction. Bumper European sunflower crops are already reflected in massive discounts for forward purchase of sunflower oil.

Groundnut, while already cheaper on cuts in Continental demand, maintains a sizeable $100 premium over sunflower, which may encourage increasing substitution. Groundnut may also be forced lower when larger West African crops start to come through the supply pipeline.

Soya oil itself continues to compete with palm for the "opportunity markets" where traditional exporter shares are often hazily defined. The rivalry between these two bulk oils, which make up about 55 per cent of world seed oil trade, will determine the major direction of prices throughout the complex, traders forecast.

The only barrier to increased bean oil supplies is the poor demand for soyabean meal which has reduced crushing profitability. Much of the blame goes to the firm dollar which has eroded European crush incentives.

Should crush rate fall, bean oil stocks could tighten but some optimists still expect large demand to develop soon from the Soviet Union for EEC soya meal which would boost supplies of the oil crush by-product.

Supplies are being further augmented by the large European and Canadian rapeseed crops.

In conclusion, many traders feel vegetable oils are being underpinned by the minority of spectacularly short items and by the fact that consumer stocks are low. In the longer run, supplies will continue to increase but nearby premiums may persist for some time on many markets.

Non-Communist world aluminium stocks rise again

NON-COMMUNIST world stocks of aluminium rose again in August, according to provisional figures issued yesterday by the International Primary Aluminium Institute, writes John Edwards.

Stocks of primary aluminium at the end of the month were put at 2.445m tonnes, compared with 2.306m at the end of July and 2.169m a year ago. Total stocks, including secondary and scrap aluminium, rose to 4.238m tonnes against 2.306m at end July and 3.834m in August last year.

The rise in stocks was lower than trade forecasts and, therefore, steadied prices. Three months aluminium closed £3 up at £817.75 a tonne.

Meanwhile the October edition of Aluminium Analysis, issued by Anthony Bird Associates, claims that the "astonishing" drop in prices this year is out of all proportion to the metal surplus.

The report forecasts that much higher aluminium prices must come. It says present prices are unsustainably low in relation to production costs. It notes that the surplus is not large and that the dip in consumption is probably temporary only.

● Zambia plans to raise the premium it charges for copper sold under direct supply contracts next year from £15 to £25 above London Metal Exchange higher grade settlement prices.

Mr James Mapoma, Zambia Metal Marketing Corporation (Memaco) chairman, said the current £5 "shap" premium for wirebars would be withdrawn.

Australian wheat crop forecast increases

AUSTRALIA'S Bureau of Agricultural Economics has raised its forecast of the 1984-85 wheat crop to 17.6m tonnes from the 16.6m it forecast in late August.

The forecast, made at October 4, compares with the latest predictions of 17.4m tonnes from both the Australian Wheat Board and Australian Wheat Forecasters Pty. The 1983-84 crop was a record 22.08m tonnes.

The bureau raised its export forecast to 16.6m tonnes in 1984-85, ending September 30, from 14.5m tonnes forecast in late August. Estimated exports in 1983-84 totalled 14.3m tonnes.

● EXPORT DUTY on coffee has been raised to Rs 720 per 100 kg from Rs 640, effective yesterday, to match rises in coffee prices on the world market, India's Finance Ministry said.

● MOST of Malaysia's rubber-estate workers may take industrial action after October 30 unless management agree to pay them monthly instead of daily, the National Union of Plantation Workers said.

● INDONESIA's RICE output is expected to reach 25.05m tonnes in 1984-85 ending March against 24m last year, the Agriculture Minister said.

● TEA prices at Monday's London auction averaged 300.50 p a kilo— a new eight-month high.

● COMPETITION was good at yesterday's sale offering of 1,755,000 kg of British wool in Edinburgh, about 90 per cent sold, the Committee of London Wool Brokers said. Compared with the last Edinburgh sale on September 12 best cheviots, half breds and crosses were all 2.5 per cent dearer.

PRICE CHANGES

In tonnes unless stated otherwise	Oct. 10 1984	+ or −	Month ago
Metals			
Aluminium	£1100	....	£1100
Free Mkt	$1040/1070	−5	$1060/1090
Copper			
Cash h Grade	£1092	−3	£1024.5
3 mths	£1045.75	−9	£1045.25
Cash Cathode	£1027	−4	£1036
3 mths	£1044.5	−4.25	£1046
Gold troy oz	$337.75	−3	$339.75
Lead Cash	£332.5	+6	£314.25
3 mths	£337.25	+6.5	£323.75
Nickel	£5333	....	£5333
Free Mkt	213/233c	....	212/232c
Palladium oz	$159.25	+1	$137.75
Platinum oz	$319.25	−0.75	$327.60
Quick silver†	$302/310	....	$300/310
Silver troy oz	579.50p	−7.70	561.50p
3 mths	594.40p	−7.55	570.90p
Tin cash	£9665	+15	£9626
3 mths	£9617.5	+15	£9507.5
Tungsten	$85.07	....	$87.85
Wolfram22 04lb	$84/87	....	$82/84
Zinc	£605	−4	£605.5
3 mths	£605.25	....	£606.75
Producers	$880/940	....	$940/990

	Oct. 10 1984	+ or −	Month ago
Oils			
Coconut (Phil)	$1360v	−10	$1160
Groundnut	‡	....	‡
Linseed Crude	‡	....	‡
Palm Malayan	$625x	....	$605
Seeds			
Copra Phil	$720w	−50	$650
Soyabean (U.S.)	$247.5	+2	$267.5
Grains			
Barley Fut Jan	£110.55	−0.20	£106.20
Maize	‡	....	‡
Wheat Fut Jan	£110.55	−0.25	£106.15
No2 Hard Wint	‡	....	‡
Other commodities			
Cocoa ship't*	£1995	+24	£1955
Futures Dec	£1914	+25.5	£1852.5
Coffee Ft. Jan	£2300.5	+15	£2408.5
Cotton A index	72.65c	....	73.75c
Gas Oil Nov	$242.75	+1	$236.75
Rubber (kilo)	60p	....	62.5p
Sugar (raw)	$130y	−0.5	$116.5
Wool t'ps 64s	467p kilo	....	465p kl

‡ Unquoted. x Nov. w Nov-Dec. v Sept-Oct. y Oct-Nov. † Per 75 lb flask. * Ghana cocoa. n Nominal. s Cents per pound.

LONDON OIL

SPOT PRICES

	Latest	Change + or −
CRUDE OIL—FOB ($ per barrel)		
Arabian Light	27.70-27.80	−0.07
Dubai Fateh	27.35-27.40	—
Arab Heavy	26.80-26.90	−0.09
North Sea (Forties)	28.35-28.45	−0.00
North Sea (Brent)	28.70-28.80	—
African (Bonny Li'ht)	28.80	+0.03
Urals	28.10-28.20	—
PRODUCTS—North West Europe "cif" ($ per tonne)		
Premium gasoline	259-200	−2.5
Gas Oil	242-240	—
Heavy fuel oil	184-186	—

GAS OIL FUTURES

Increased buying interest on physicals in the early part of the day moved the gas oil market higher after it opened about a dollar up. Prices slipped a little, as New York failed to open higher, and traded in a narrow range until the close, reports Heinold Commodities.

Month	Yest'day's close	+ or −	Business Done
	$ U.S. per tonne		
Oct	239.00	+1.50	259.50-38.75
Nov	242.75	+1.00	244.00-42.75
Dec	240.00	+0.75	247.50-45.75
Jan	246.00	+0.75	247.00-46.00
Feb	248.00	+1.00	245.90-41.75
March	257.50	+1.50	257.50
April	230.00	+4.00	234.25-34.00

Turnover: 1,674 (3,773) lots of 100 tonnes.

GOLD MARKETS

Gold fell $3 an ounce from Tuesday's close in the London bullion market yesterday to finish at $337¾-338. The metal opened at $338-338½ and traded between a low of $337-337½ and a high of $338¼-338¾. Trading was generally dull and featureless with gold restricted to a narrow range.

In Frankfurt the 12½ kilo bar was fixed at DM33,700 per kilo ($338.46) from DM 33,730 ($341.46) and closed at $337¾-338½ from $341½-342.

In Paris the 12½ kilo bar was fixed at FFr 103,300 per kilo ($338.43 per ounce) in the afternoon compared with FFr 103,100 ($337.63) in the morning and FFr 103,300 ($340.75) on Tuesday afternoon.

In Luxembourg the 12½ kilo bar was fixed at the equivalent of $337.90 per ounce from $342.90.

In Zurich gold closed at $337½-338 from $341½-342.

LONDON FUTURES

Month	Yest'days close	+ or −	Business Done
	$ per troy ounce		
Oct	—	—	—
Dec	342.90-43.00	−3.70	343.50-42.50
Feb	—	—	—
April	—	—	—
June	—	—	—
Aug	—	—	—

Turnover: 123 (230) lots of 100 troy ounces.

	Oct. 10		Oct. 9	
Gold Bullion (fine ounce)				
Close	$337½-338	(£275½-278)	$341¼-341⅞	(£276¼-276¾)
Opening	$338-338½	(£276-276½)	$342½-343	(£276½-277)
Morning fixing	$337.75	(£275.422)	$349.75	(£270.500)
Afternoon fixing	$337.70	(£275.608)	$341.80	(£276.102)

Gold and Platinum Coins Oct. 10

Krugrnd	$347¾-348½	(£284-284¼)	King Sov	$81-82½	(£66¼-67¼)
½ Krug.	$179½-180¼	(£146½-147¼)	Victoria Sov	$81-82½	(£66¼-67¼)
¼ Krug.	$91½-92¼	(£74¾-75½)	French 20s	$63¾-64¼	(£52¾-54)
1/10 Krug.	$37½-38¼	(£30½-31¼)	100 Pesos Mex	$418½-420	(£341¾-345)
Mapleleaf	$347½-348¼	(£283¾-284¼)	100 Cor Aust	$320-332	(£268½-271)
New Sov.	$79½-80	(£65-65¼)	$20 Eagles	$505-525	(£412¼-428½)
½ New Sov.	$48½-49¼	(£39½-40¼)	Noble Plat.	$328¼-332	(£268-271)

EUROPEAN MARKETS

ROTTERDAM, October 10.

Wheat—(U.S. $ per tonne): U.S. No 2 soft red winter Nov 158, Dec 158.75, Jan 160.75, Feb 162, March 162.50. U.S. No. 2 northern spring 14 per cent protein Oct 174.50, Nov 174.75, Dec 178, Jan 184, Feb 186.50, March 188.50, April/May 180. U.S. northern spring 15 per cent protein Oct 183.25, Nov 187.50, Dec 190. U.S. No. 3 hard amber durum Oct 188, Nov 186, mid-Nov/mid-Dec 191, April/May 200, June 201. Canadian No. 1 western amber durum Nov 209, Nov/Dec 208.

Maize—(U.S. $ per tonne): U.S. No 3 yellow Oct 135.50, Nov 134.75, Dec 135.25, Jan/March 137.50, April/June 138.50 sellers. Argentine Plate mid-Oct/mid-Nov 177, Oct/Nov 175, Nov 177, April/June 148 sellers.

Soyabeans—(U.S. $ per tonne): U.S. No. 2 yellow Gulfports Oct 241.50, Nov 240, Dec 241.75, Jan 245.50, Feb 248.90, March 252.40, April 254.10, May 255.20 sellers.

Soyameal—(U.S. $ per tonne): 44 per cent Oct 186, Nov 186, Dec 187, Nov/March 168, Jan/March 174, April/Sept 182 sellers. Pellets Brazil afloat 173.50, Oct 178, Nov 182, Dec 184, Jan 189, Jan/March 191, May/Oct 206 sellers. Pellets Argentine afloat 186.50, Oct 166, Nov 166, Dec 167.50, Jan/March 176 sellers.

PARIS, October 10.

Sugar—(FFr per tonne): Dec 1670/1681, March 1701/1703, May 1750/1755, Aug 1800/1811, Oct 1860/1874, Dec 1900/1934.

Cocoa—(FFr per 100 kg): Dec 2203/2205, March 2180/2190, May 2180/2190, July 2180 bid, Sept 2185 bid, Dec 2190 bid, March 2195 bid.

BRITISH COMMODITY PRICES

BASE METALS

BASE-METAL PRICES were generally a shade firmer on the London Metal Exchange. Copper initially hardened to £1,053 reflecting the early decline in sterling against the dollar, but subsequently dipped to £1045.5 on profit-taking before closing virtually unchanged at £1,050. Buffer stock support helped tin edge up to £9,615, while computer buying and stop-loss buying boosted lead to £338.5. Zinc moved narrowly prior to closing the late kerb at £604.5. The IPAI stocks figures depressed aluminium to £815 but the price subsequently rallied to close at £820.5.

COPPER

Amalgamated Metal Trading reported that in the morning three months Higher Grade traded at £1,047, 46.5. Cathodes: Cash £1,030, 29, 28, 27, three months £1,045. Kerb: Higher Grade: Three months £1,047, 46.5, 47. Afternoon: Higher Grade: Three months £1,046, 45.5, 46, 45.5, 46. Kerb: Higher Grade: Three months £1,046, 45.5, 46, 47, 47.5, 48, 48.5, 49, 50. Turnover: 19,500 tonnes. U.S. Producers: 61-65 cents a pound.

COPPER	a.m. Official	+ or −	p.m. Unofficial	+ or −†
High Grde	£	£	£	£
Cash	1025.5-9	−0	1021.5-2.5	−5
3 months	1046.0-7	−0.5	1045.5-6	−2
Settlem't	1034	−5	—	—
Cathodes				
Cash	1096-7	−8	1020-8	−4
3 months	1045-6	−7	1044-5	−4.25
Settlem't	1027	−8	—	—

TIN

Tin — Morning: Standard: Three months £9,620, 30, 20, 02, 05, 9,600. Kerb: Standard: Three months £9,600. Afternoon: Standard: Three £9,810, 05, 01, 05, 10, 11, 13, 15. High Grade: Three months £9,640. Standard: Three months £9,810. Turnover: 1,305 tonnes.

TIN	a.m. Official	+ or −	p.m. Unofficial	+ or −†
High Grde	£	£	£	£
Cash	9690-700	+50	9700-10	+20
3 months	9785-35	+140	9641-9	+11.5
Settlem't	9700	+50	—	—
Standard				
Cash	9655-60	+52.5	9660-70	+10
3 months	9600-1	+44	9915-20	+15
Settlem't	9660	+50	—	—
Straits E.	689.10	......	—	—

LEAD

Lead—Morning: Cash £329.6, three months £333, 34, 34.5. Kerb: Three months £335, 36, 35.5. Afternoon: Three months £336, 35.5, 35, 35.5, 36, 36.5, 37, 37.5, 37. Kerb: Three months £338, 39, 38. Turnover: 8,550 tonnes. U.S. Spot: 22-29 cents a pound.

LEAD	a.m. Official	+ or −	p.m. Unofficial	+ or −†
	£	£	£	£
Cash	329.5-50	+2	582-.5	+6
3 months	334.5-5	+3	037-.5	+6.5
Settlem't	330	+2	—	—

ZINC

Zinc—HIGH GRADE OFFICIAL / UNOFFICIAL PRICES: Cash am £675-£685, pm£677-£687, three months am £652-£654, pm £650-£652; settlement £685. Morning: Cash £606, three months £604, 03, 03.5, 03. Afternoon: Three months £603, 03.5, 03. Turnover: 7,600 tonnes. U.S. Prime Western: 45.00-45.75 cents a pound.

ZINC	a.m. Official	+ or −	p.m. Unofficial	+ or −†
	£	£	£	£
Cash	606-.5	−8	604.5-6.0	−4
3 months	602-.5	−2.25	603-.5	—
Settlem't	000.0	−5	—	—

ALUMINIUM

Aluminium—Morning: Three months £818, 19, 19.5, 18, 18.5, 19, 19.5. Kerb: Three months £818. Afternoon: Three months £819, 19.5, 20, 19.5, 20, 18, 19, 18.5. Kerb: Three months £819, 18, 18.5, 19, 19.5, 20. Turnover: 18,450 tonnes.

Alumin'm	a.m. Official	+ or −	p.m. Unofficial	+ or −†
	£	£	£	£
Spot	796-7	+2.5	795-6	+0
3 months	819-.5	−.5	818.5-9	+5

NICKEL

Nickel — Morning: Three months £3,925, 30. Afternoon: Three months £3,930, 25. Kerb: Three months £3,925. Turnover: 1,344 tonnes.

NICKEL	a.m. Official	+ or −	p.m. Unofficial	+ or −†
Spot	3845-55	+0	3835-45	+17.5
3 months	3925-35	−2.5	3920-5	+0

SILVER

Silver was fixed 7.7p an ounce lower for spot delivery in the London bullion market yesterday to finish at 579.5p. U.S. cent equivalents of the fixing levels were: spot 710.5c, down 13.5c; three-month 730.1c, down 14c; six-month 750.2c, down 14.5c; and 12-month 793.8c, down 14.9c. The metal opened and closed at 580½-583½p (711-714c).

SILVER per troy oz	Bullion fixing price	+ or −	L.M.E. p.m. Unofficial	+ or −
Spot	579.50p	−7.70	580.5p	−4
3 months	594.40p	−7.55	595.5p	−5
6 months	608.90p	−7.45	—	......
12 months	639.40p	−7.45	—	......

LME—(2,000 oz contract): Cash 580.5p (584.5p); three months 595.5p (600.5p). Turnover: 0 (0).

Turnover: 137 (20) lots of 10,000 ozs. Morning: Large 1st ring three months 596.2nd ring three months 595.5, 96, 596; 2nd ring three months 595.5, 96. Large 1st ring three months 596. Kerb: Large three months 596.

COCOA

Following a steadier opening futures traded quietly until mid-afternoon when further gains were made. Although producers remain withdrawn some consumer and second-hand interest was apparent, reports Gill and Duffus.

COCOA	Yesterday's Close	+ or −	Business Done
	£ per tonne		
Oct	1801-60	+8.0	—
Dec	1913-15	+25.5	1918-1895
March	1865-66	+20.5	1890-1865
May	1865-67	+93.5	1869-1868
July	1887-88	+97.5	1887-1868
Sept	1889-90	+25.5	1889-1867
Dec	1869-70	+29.0	1870-1848
Mar	1840-00	+20.0	—

Sales: 3,516 (2,939) lots of 10 tonnes.

ICCO indicator prices (U.S. cents per pound). Daily price for Oct 9: 101.86 (102.69); five-day average for Oct 10: 101.71 (101.54).

COFFEE

Commission house selling during a fairly active morning prevented a breakthrough above £2,300, basis January, reports Drexel Burnham Lambert. However, the pressure was absorbed by trade and dealer buying which encouraged additional support around unchanged levels. Prices rose gradually in the afternoon but remained within a narrow range before closing on a steady note.

COFFEE	Yesterd'ys Close	+ or −	Business Done
Nov	2375-79	+40.0	2378-58
January	2299-09	+15.0	2302-84
March	2225-28	+15.5	2230-12
May	2207-10	+22.0	2208-05
July	2196-99	+25.0	2196-85
Sept	2188-90	+28.5	2190-70
Nov	2175-77	+9.5	2178-68

Sales: 3,247 (2,331) lots of 15 tonnes.

ICO indicator prices (U.S. cents per pound) for October 2: Comp daily 1979 135.14 (135.47); 15-day average 137.25 (137.62).

GRAINS

The market's initial gains were quickly eroded and prices drifted for the rest of the day on country selling, reports Muirpace.

Mnth	WHEAT Yesterd'ys close	+ or −	BARLEY Yesterd'ys close	+ or −
Nov	106.75	−0.55	107.10	−0.25
Jan	110.55	−0.25	110.55	−0.20
Mar	113.75	−0.20	115.60	−0.15
May	117.05	−0.15	116.05	−0.10
July	11.805	−0.15	—	—
Sept	07.85	+0.15	97.00	+0.25

Business done—Wheat: Nov 107.20-6.75, Jan 110.80-10.60, March 113.75 only, May 117.00 only, July untraded, Sept 97.85 only. Sales: 151 lots of 100 tonnes. Barley: Nov 107.50-7.20, Jan 110.85-10.80, March 113.70 only May untraded, Sept 96.75 only. Sales: 86 lots of 100 tonnes.

LONDON GRAINS—Wheat: CWRS No 1 13½ per cent ox-origin tranc-shipment Oct 164.00 quoted. U.S. dark northern spring No 1 15 per cent Nov 154.25, Dec 156.35, Jan 161.25 trans-shipment east coast. U.S. No 2 soft red winter Nov 141.50, Dec 142.25, Jan 143.50. Barley: English feed fob Oct 107.50 Scotland, Oct 108 Boston sellers. Rest unquoted.

HGCA—Locational ex-farm spot prices. Feed barley: Eastern 102.20, E. Mids 103.80, N. East 103.90, Scotland 99.80. The UK monetary coefficient for the week beginning Monday October 15 (based on HGCA calculations using 5 days' exchange rates) is expected to remain unchanged at 1.000.

PIGMEAT

In a lacklustre market values held firm ahead of announcements from the EEC pigs management committee stating that MCA levels will not be changed on November 1 in spite of falls in sterling against other EEC currencies, reports CCST Commodities.

PIGMEAT

Month	Yesterdays close	Previous close	Business done
	p. per kilo (deadweight)		
Nov	128.80	128.60	128.70
Feb	121.40	121.50	121.70-21.20
April	119.90	119.20	119.10-18.90
June	117.00	117.00	117.00
Aug	115.50	116.10	—
Oct	118.00	110.80	—

Sales: 28 (67) lots of 50 carcases 3,250 kg.

POTATOES

Despite recent wet weather, potato liftings are progressing unhindered and yield per acre indications appear to be quite good. Physical prices continued to drift and sentiment on the futures market weakened. Prices opened lower and fell further before buying interest improved levels towards the close, reports Coley and Harper.

Month	Yesterday's close	Previous close	Business Done
	£ per tonne		
Nov	55.70	54.70	55.90-52.50
Feb	05.50	64.50	65.50-62.50
April	76.70	79.00	78.50-78.90
May	83.20	85.50	85.50-82.50
Nov	77.00	77.60	—

Sales: 018 (640) lots of 40 tonnes

SOYABEAN MEAL

The London market opened sharply higher in active trading conditions, reports T. G. Roddick. The gains were sustained by shipper support.

	Yestday's close	+ or −	Business Done
	£ per tonne		
October	—	—	—
Dec	138.90-37.50	+1.95	135.50-35.90
Feb	141.50-42.00	+1.70	—
Apr	144.20-44.30	+1.80	144.00
June	142.50-45.50	+2.50	144.00
August	148.00-48.50	+2.75	144.20
October	148.00-50.00	+1.50	—

Sales: 121 (20) lots of 20 tonnes, 108 (150) lots of 100 tonnes.

RUBBER

PHYSICALS—The London market opened slightly easier, drifted lower throughout the day and closed on an idle and easier note, reported Lewis and Peat. Closing prices (buyers) Spot 60.00p (same); Nov 71.75p (72.50p); Dec 72.00p (72.50p). The Kuala Lumpur Oct fob price for RSS No 1 was 204.75 (209.0) cents a kg and for SMR 20 was 188.5 (192.0).

FUTURES—Close (buyer, seller, business) RSS No. 1 (£ per tonne): Nov 550, 595, 580; Dec 555, 600, 584; Jan 565, 635, nil; Feb 575, 640, nil; March 585, 645, nil; April 595, 655, nil; May 600, 665, nil; June 605, 670, nil; July 615, 680, nil; 1985 Jan/March 575, 640, nil; 1985 April/June 620, 665, 635; 1985 July/Sept 550, 690, nil. Sales: 8 (16) lots of 5 tonnes, 4 (5) lots of 15 tonnes.

SUGAR

LONDON DAILY SUGAR—Raw sugar $130.00 (£106.00), up $5.00 (up £4.50), a tonne for Oct-Nov delivery. White sugar $180.00, up $5.00.

No. 6 Contract	Yest'day's close	Previous close	Business done
	$ per tonne		
Dec	146.60-47.60	144.60-45.00	148.00-46.00
Mar	164.40-64.60	161.20-61.40	166.00-60.00
May	171.40-71.60	167.60-67.63	172.00-67.20
Aug	180.00-81.00	177.40-78.00	181.00-79.60
Oct	109.00-89.20	185.20-86.40	190.00-86.80
Dec	185.00-97.00	103.00-95.00	—
Mar	208.00-11.00	208.00-09.00	—

Sales. No 6 5,190 (3,426) lots of 50 tonnes.

Tate and Lyle delivery price for granulated basis sugar was £211.00 (£206.00) a tonne for export.

International Sugar Agreement — (U.S. cents per pound fob and stowed Caribbean ports) Prices for October 9: Daily price 4.78 (4.82); 15-day average 4.26 (4.20).

WOOL FUTURES

SYDNEY GREASY WOOL—Close (in order: buyer, seller, business). Australian cents per kg. Oct 563.1, 565.0, 562.0-561.9; Dec 567.0, 567.0, 566.1-566.0; Mar 578.0, 580.0, 578.5; May 582.0, 584.9, 584.0-583.0; July 588.0, 595.0, untraded; Oct 580.0, 589.0, u/t; Dec 584.0, 593.0, u/t; Mar 591.1, 600.0, u/t. Sales: 18.

LONDON NEW ZEALAND CROSS-BREDS—Close (in order: buyer, seller, business). New Zealand cents per kg. Oct 500, 505, 502; Dec 505, 507, 506; Jan 506, 508, 507; Mar 514, 517, 516-515; May 521, 522, 523-520; Aug 534, 538, 536; Oct 537, 538, 538; Dec 537, 540, 538; Jan 538, 542, 538; Mar 545, 550, 549. Sales: 109.

COTTON

LIVERPOOL—Spot and shipment sales amounted to 16 tonnes. Slow offtake brought relatively little demand. Minor orders concerned Central American and various African qualities.

INDICES

FINANCIAL TIMES

Oct. 9	Oct. 8	M'th ago	Year ago
285.85	287.51	992.62	287.13

(Base: July 1 1952 = 100)

REUTERS

Oct. 10	Oct. 9	M'th ago	Year ago
1883.4	1888.0	1888.8	1883.6

(Base: September 18 1931 = 100)

DOW JONES

Dow Jones	Oct. 8	Oct. 5	Month ago	Year ago
Spot	124.34	185.97	128.05	140.27
Fut	124.94	124.52	127.14	147.15

(Base: December 31 1974 = 100)

MOODY'S

Oct 8	Oct 5	M'th ago	Year ago
059.0	963.7	993.6	1051.6

(Base: December 31 1931 = 100)

HIDES

HIDES—Leeds (Birmingham). Second clears. Ox: 31-35.5 kg, 104.7p a kg withdrawn (109.7p withdrawn); 28-30.5 kg, 117.0p a kg (120.4p); 22-25.5 kg, 121.1p a kg withdrawn, (129.5p). Cows: 25.5 kg, 124.0p a kg, (128.9p).

SMITHFIELD—Pence per pound. Beef: Scottish killed sides 77.0 to 84.0; English forequarters 54.5 to 57.9; Eire hindquarters 87.9 to 92.0, forequarters 53.0 to 57.0. Veal: Dutch hinds and ends 125.0 to 129.0. Lamb: English small 68.0 to 74.0, medium 69.0 to 72.0, heavy 64.0 to 67.0; Scottish medium 66.5 to 69.0, heavy 64.5 to 68.5; Imported: New Zealand PL 67.0 to 67.5, PX 61.3 to 62.0, YL 64.0 to 64.5. Pork: English under 100 lb 59.0 to 65.0, 100-120 lb 59.0 to 63.5, 120-160 lb 50.0 to 58.0.

MEAT COMMISSION—Average fatstock prices at representative markets. GB—Cattle 94.62p per kg lw (−0.07). GB—Sheep 154.99p per kg est dcw (+2.31). GB—Pigs 90.62p per kg lw (−1.67). GB—AAPP 114.16p per kg dw.

COVENT GARDEN—Prices for the bulk of produce, in sterling per package unless otherwise stated. English produce: Apples—Per pound, Cox's 0.14-0.24, Bramley 0.10-0.12, Russets 0.17-0.22, Worcester Pearmain 0.12-0.15, Spartan 0.14-0.18. Pears—Per pound Conference 0.12-0.18. Plums—12-lb, Marjorie's Seedling 2.40-2.50. Raspberries—½-lb 0.40-0.50. Strawberries—½-lb 0.40-0.50. Potatoes—Per bag 56-lb, 2.40-3.20, bakers 5.50-6.00. Mushrooms—Per pound, open 0.65-0.75, closed 0.90-1.00. Lettuce—Per tray round 1.00-1.20, Cos dozen 1.40-1.50; Webb's 1.60-1.80; Iceberg 12's 6.50-7.00, 15's 6.00. Carrots — 28-lb 1.00-1.60. Greens — Primo 1.20-1.40; onmo 1.20-1.40; crates, green 2.50-2.80; Jan King 1.40-1.50. Tomatoes—Tray 12-lb 2.40-2.50. Cucumbers—Tray 3.00-3.60. Cauliflowers—Dozen, Lince 2.50-3.20. Spring onions—Bunch 0.10-0.11. Radishes—Bunch 0.12-0.14. Celery—Prepack 3.00-3.30; loose 1.80-2.20. Watercress—Ice pack 20's 3.40-3.50. Salad—Crisps 16's 1.00-1.10. Courgettes—Per pound 0.30-0.35. Beetroot—Bags 28-lb 1.60-1.80. Onions—55-lb bag 2.50-3.20. Capsicums—Per pound 0.28-0.20. Sprouts—Per pound 0.15-0.20. Corn on the cob — Each 0.10-0.14. Fennel—Tray 10-lb 3.00-3.50. Leeks—Per pound 0.25. Swedes—28-lb 1.40-1.50. Parsnips — 28-lb 2.40-2.50. Cobnuts—Per pound 0.55-0.60. Calabrese—Per pound 0.50-0.65.

Imported Produce—Oranges—Outspan 8.20-9.20. Tangerines—Spania: Clauseilinas 7.50-8.50; Brazilian: Honey 8.00. Lemons—Spania 5-kg 2.00-2.50; 15-kg 5.00-6.00. Outspan: 15-kg 5.00-8.80. Uruguayan: 20-kg 6.50-7.00.

AMERICAN MARKETS

NEW YORK, October 10

Gold and silver values were generally higher as the markets attempted to consolidate following recent sharp losses, reports Heinold Commodities. Copper firmed on short-covering but follow-through spilling failed to materialise. Aluminium was steady with the large increase in primary stocks having been already discounted. Strong selling on producer account and beet areas pressured sugar values. Forecasts of colder weather in Soviet Cocoa was firm on expectations of favourable grind figures from the major consuming countries. Coffee rallied as dealer buying touched off short-covering. Cotton firmed on reports of damage to the Delta crop from recent rains. Heating oil showed sharp losses on reports of good availability of prompt cash supplies. Light country movement due to rain-related harvest delays firmed the grain and soyabean complex.

NEW YORK

ALUMINIUM 40,000 lb, cents/lb

	Close	High	Low	Prev
Oct	44.15	—	—	44.05
Dec	45.00	45.05	44.70	44.90
Jan	45.50	—	—	45.40
March	46.55	46.45	46.25	46.50
May	47.50	—	—	47.55
July	48.65	—	—	48.60
Sept	49.70	—	—	49.65
Dec	51.30	—	—	51.25
Jan	51.85	—	—	51.80
March	52.95	—	—	52.90

COCOA 10 tonnes, $/tonnes

	Latest	High	Low	Prev
Dec	2249	2265	2196	2199
March	2205	2210	2164	2188
May	2215	2219	2198	2178
July	2216	2218	2216	2187
Sept	2221	2221	2221	2191
Dec	2206	—	—	2207

COFFEE "C" 37,000 lbs, cents/lb

	Close	High	Low	Prev
Dec	136.43	38.48	35.00	34.83
March	134.90	35.15	34.00	33.98
May	133.75	34.05	33.49	33.20
July	132.68	32.90	32.50	32.25
Sept	131.60	31.75	31.70	31.16
Dec	130.61	30.75	30.75	30.00
March	128.25	—	—	29.00

COPPER 25,000 lb, cents/lb

	Close	High	Low	Prev
Oct	55.95	—	—	55.25
Nov	56.90	—	—	55.65
Dec	56.95	57.20	56.65	56.30
Jan	57.55	57.15	57.15	56.90
March	58.75	58.90	57.55	60.15
May	9.90	60.05	58.70	59.30
July	61.05	60.95	59.80	60.45
Sept	62.20	62.15	61.10	61.65
Dec	63.90	63.80	62.90	63.35
Jan	64.45	—	—	63.90

COTTON 50,000 lb, cents/lb

	Close	High	Low	Prev
Dec	64.97	65.56	64.85	64.96
March	66.87	67.24	66.60	66.95
May	68.15	68.36	68.20	67.97
July	69.25	65.25	69.18	68.96
Oct	69.22	68.25	69.25	69.21
Dec	69.90	65.72	69.56	69.51
March	70.30	—	—	70.31

CRUDE OIL (LIGHT) 42,000 U.S. gallons, $/barrels

	Latest	High	Low	Prev
Nov	29.33	29.40	29.29	29.45
Dec	29.46	29.62	29.40	29.61
Jan	29.44	29.60	29.38	29.59
Feb	29.31	29.51	29.31	29.50
March	29.26	29.44	29.25	29.45
April	29.20	29.36	29.20	29.40
May	29.22	29.23	29.22	29.31
June	29.15	29.18	29.17	29.29
July	29.15	29.19	29.17	29.24
August	—	—	—	29.18

GOLD 100 troy oz, $/troy oz

	Close	High	Low	Prev
Oct	338.8	339.2	337.0	337.0
Dec	343.0	344.2	342.0	342.0
Feb	349.3	350.5	348.3	348.2
April	355.9	356.2	354.2	354.9
June	362.4	361.7	361.2	360.8
August	368.9	368.3	368.0	367.3
Oct	375.0	376.0	375.8	374.4
Dec	383.3	383.5	381.3	381.6
Feb	391.0	392.0	392.0	389.3
April	398.7	399.0	399.0	397.0
June	407.1	—	—	405.4
August	415.7	—	—	414.0

HEATING OIL 42,000 U.S. gallons, cents/U.S. gallons

	Latest	High	Low	Prev
Nov	80.50	81.60	80.20	81.84
Dec	81.70	82.90	81.30	82.88
Jan	82.55	83.75	82.30	83.81
Feb	82.10	83.30	81.80	83.31
March	78.35	79.80	78.40	79.85
April	76.50	77.00	76.80	77.45
May	75.00	76.00	76.00	76.76
June	75.75	75.75	75.75	76.00

ORANGE JUICE 16,000 lb, cents/lb

	Close	High	Low	Prev
Nov	174.25	76.30	74.25	76.50
Jan	177.25	79.80	76.80	80.00
March	177.75	78.70	77.25	79.80
Sept	176.00	—	—	77.85
Jan	175.50	75.00	75.00	77.20
March	175.90	—	—	77.20

PLATINUM 50 troy oz, $/troy oz

	Close	High	Low	Prev
Oct	310.9	316.0	316.5	316.3
Dec	319.5	—	—	317.0
Jan	324.4	325.0	321.5	322.9
April	333.2	333.0	332.0	331.7
July	342.1	341.6	340.8	340.6
Oct	351.1	349.0	349.0	349.8
Jan	360.8	359.5	359.9	359.1

SILVER 5,000 troy oz, cents/troy oz

	Close	High	Low	Prev
Oct	716.5	714.5	710.5	712.0
Nov	720.7	—	—	717.2
Dec	727.0	730.0	719.0	723.5
Jan	733.5	730.0	730.0	730.1
March	747.2	750.0	740.0	743.7
May	761.0	759.5	754.0	757.5
July	775.0	778.0	765.0	771.5
Sept	790.1	788.0	786.0	786.6
Dec	814.3	815.0	807.0	811.0
Jan	822.5	—	—	815.3

SUGAR WORLD "11" 112,000 lb, cents/lb

	Close	High	Low	Prev
Jan	5.36	6.75	5.36	5.49
March	5.91	6.27	5.88	6.13
May	6.24	6.60	6.22	6.45
July	6.56	6.86	6.52	6.74
Sept	6.82	7.12	6.86	7.02
Oct	7.05	7.33	7.01	7.23
Jan	7.45	7.75	7.70	7.63
March	9.05	5.25	8.05	8.21

CHICAGO

LIVE CATTLE 40,000 lb, cents/lb

	Close	High	Low	Prev
Oct	62.40	62.55	62.02	62.07
Dec	64.82	64.90	63.90	64.12
Feb	65.35	65.40	64.60	64.72
April	66.35	66.50	65.65	65.72
June	67.07	67.10	66.45	66.67
August	65.15	65.15	64.30	64.45
Oct	63.50	63.50	62.95	63.19

LIVE HOGS 30,000 lb, cents/lb

	Close	High	Low	Prev
Oct	44.80	44.85	44.40	44.32
Dec	46.95	47.17	46.42	46.65
Feb	49.05	49.25	48.70	48.90
April	46.07	46.35	45.75	45.92
June	49.22	49.55	49.10	49.17
July	50.22	50.25	49.80	50.15
August	48.20	48.50	48.05	48.30
Oct	46.35	46.55	46.25	46.40
Dec	46.67	46.67	46.55	46.70

MAIZE 5,000 bu min, cents/56 lb bushel

	Close	High	Low	Prev
Dec	280.0	280.0	278.4	278.4
March	285.8	285.6	283.6	283.4
May	289.6	290.0	288.2	287.5
July	291.6	292.0	290.0	289.8
Sept	285.4	285.4	283.6	283.4
Dec	281.2	281.6	279.0	279.2
March	288.0	—	—	288.0

PORK BELLIES 38,000 lb, cents/lb

	Close	High	Low	Prev
Feb	65.30	65.60	64.50	65.05
March	66.02	65.10	64.20	64.77
May	66.17	66.30	65.50	65.67
July	67.22	67.25	66.30	66.67
August	64.96	64.65	64.16	64.30

SOYABEANS 5,000 bu min, cents/60-lb bushel

	Close	High	Low	Prev
Nov	606.2	608.0	601.0	600.4
Jan	618.4	619.0	611.4	611.8
March	631.6	632.4	625.2	624.2
May	644.0	644.0	637.0	636.4
July	648.0	649.4	642.4	643.0
August	646.0	649.0	645.0	643.4
Sept	641.4	641.4	638.0	636.4
Nov	640.4	641.0	636.0	634.8
Jan	654.0	—	—	648.0

SOYABEAN MEAL 100 tons, $/ton

	Close	High	Low	Prev
Oct	148.5	148.5	145.0	144.5
Dec	155.0	160.5	150.9	150.9
Jan	158.2	158.5	154.1	153.8
March	164.0	164.0	159.7	159.5
May	168.5	168.0	164.0	163.5
July	172.7	173.0	169.0	168.5
August	170.0	170.0	168.0	168.0
Sept	170.5	170.5	169.0	167.0
Oct	171.0	171.0	170.0	168.0
Dec	171.0	171.0	170.0	—

SOYABEAN OIL 60,000 lb, cents/lb

	Close	High	Low	Prev
Oct	27.20	27.25	26.45	27.21
Dec	25.21	25.25	25.05	25.22
Jan	24.75	24.95	24.65	24.86
March	24.40	24.60	24.35	24.43
May	24.19	24.45	24.15	24.23
July	23.96	24.15	23.95	24.01
August	23.70	—	—	23.80
Sept	23.45	—	—	23.75
Oct	23.10	—	—	23.33
Dec	23.32	23.50	23.30	23.17

WHEAT 5,000 bu min, cents/60-lb bushel

	Close	High	Low	Prev
Dec	361.0	357.4	349.2	349.0
March	369.0	360.0	357.0	357.0
May	357.2	357.4	355.4	355.4
July	343.0	343.4	341.4	341.4
Sept	349.0	349.0	347.4	346.4
Dec	360.4	—	—	356.6

SPOT PRICES—Chicago loose lard 32.00 (31.00) cents per pound. New York tin 640.0-54.0 (same) cents per pound. Handy and Harman silver bullion 716.50 (714.0) cents per troy ounce.

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CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Dollar erratic and nervous

The dollar started to fluctuate in late trading after an orderly and firmer trend for much of the day. It moved above DM 3.10 against the D-mark on good two-way business but tended to run out of steam as the possibility of central bank intervention reared its head. Consequently it fell back during the afternoon to finish mostly down from Tuesday's levels, although later trading in New York showed the dollar recovering strongly.

It closed at DM 3.0755 down from DM 3.0890, having touched a high of DM 3.1035. Elsewhere it slipped to SwFr 2.5375 from SwFr 2.5430 and Y247.30 compared with Y247.65. It was also lower in terms of the French franc at FFr 9.4250 from FFr 9.47. Ironically the threat of Bundesbank intervention created considerable disorder and volatility as traders reduced long dollar positions. On Bank of England figures, the dollar's index rose to 142.9 from 142.4.

STERLING — Trading range against the dollar in 1984 is 1.4985 to 1.2215. September average 1.2593. Exchange rate index 76.3 against 80.1 six months ago.

Sterling showed little overall change with its index finishing the same as Tuesday's close. Against the dollar it improved to $1.2330 from $1.2280 but was unchanged against the D-mark at DM 3.7900. It was firmer against the French franc at FFr 11.6725 from FFr 11.6175 and SwFr 3.1275 from SwFr 3.1200. It was also stronger in terms of the yen at Y305.50 from Y303.75.

D-MARK — Trading range against the dollar in 1984 is 3.1265 to 2.5535. September average 3.0235. Trade weighted index 120.5 against 127.2 six months ago.

The dollar was fixed at DM 3.0976 at yesterday's fixing in Frankfurt up from DM 3.0723 on Tuesday and the Bundesbank sold $12.95m at the fixing. There was no obvious indication of any intervention in the open market although trading became even more nervous as the dollar touched DM 3.10 during the morning. However dealers reported good two way business which was reflected in the relatively narrow spread between buying and selling quotations. The Bundesbank had previously maintained that it would only intervene when trading became disorderly. This did not appear to be the case yesterday but there were still fears that the West German authorities might sell dollars to restrict any movement above DM 3.10.

Elsewhere sterling rose to DM 3.7940 from DM 3.7830 and the Swiss franc was higher at DM 1.2159 compared with DM 1.2143. Within the EMS the French franc improved to DM 32.615 per FFr 100 from DM 32.61 and the Belgian franc was higher at DM 4.9500 from DM 4.9450 per BFr 100. The Dutch guilder was also higher at DM 88.72 per Fl 100 from DM 88.705.

STERLING EXCHANGE RATE INDEX

(Bank of England)

	Oct 1	Previous
8.30 am ...	—	—
9.00 am ...	76.1	76.3
10.00 am ...	76.2	76.3
11.00 am ...	76.3	76.3
Noon	76.3	76.4
1.00 pm ...	76.3	76.3
2.00 pm ...	76.3	76.4
3.00 pm ...	76.3	76.5
4.00 pm ...	76.3	76.3

EMS EUROPEAN CURRENCY UNIT RATES

	Ecu central rates	Currency amounts against Ecu October 10	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc ...	44.9008	45.2395	+0.75	+0.75	±1.5428
Danish Krone ...	8.14104	8.09267	−0.59	−0.59	±1.6421
German D-Mark	2.24184	2.23994	−0.08	−0.08	±1.1463
French Franc ...	6.87456	6.86360	−0.16	−0.16	±1.3859
Dutch Guilder ...	2.52595	2.52303	−0.12	−0.12	±1.5165
Irish Punt ...	0.72569	0.721638	−0.53	−0.53	±1.6671
Italian Lira ...	1403.49	1384.06	−1.38	−1.38	±4.0611

Changes are for Ecu, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

New York rates

	Oct. 10	Prev. close
£ Spot	$1.2317-1.2332	$1.2270-1.2280
1 month	0.03-0.04 dis	0.03-0.05 dis
3 months	0.24-0.28 dis	0.27-0.30 dis
12 months	1.58-1.68 dis	1.60-1.70 dis

Forward premiums and discounts apply to the U.S. dollar.

POUND SPOT—FORWARD AGAINST POUND

Oct 10	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	1.2210-1.2335	1.2325-1.2335	0.01c pm-0.02dis	−0.05	0.19-0.23dis	−0.68
Canada	1.6120-1.6210	1.6195-1.2605	0.14-0.21c dis	−1.30	0.56-0.67dis	−1.52
Nethlnd.	4.28¾-4.30¾	4.29¾-4.30¾	1¾-1½c pm	4.54	4¾-4⅝ pm	4.25
Belgium	76.41-77.05	76.95-77.05	2c pm-5 dis	−0.23	2 pm-8 dis	−0.10
Denmark	13.70½-13.79¾	13.78¾-13.79¾	½-1½ore dis	−0.80	n/a	—
Ireland	1.2195-1.2247	1.2250-1.2260	0.08-0.24p dis	−1.57	0.54-0.78dis	−2.02
W. Ger.	3.78-3.80½	3.78½-3.79½	1¼-1½pf pm	0.14	4¾-4¼ pm	4.68
Portugal	197.60-208.40	198.40-200.40	185-530c dis	−21.51	590-1570dis	−21.56
Spain	210.40-212.80	212.50-212.70	55-85c dis	−4.23	180-230 dis	−3.86
Italy	2,336-2,358½	2,355½-2,356½	9-12lire dis	−5.36	31-34 dis	−5.52
Norway	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
France	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Sweden	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Japan	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Austria	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Switz.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Belgian rate is for convertible francs. Financial franc 77.85-77.95. Six-month forward dollar 0.55-0.60c dis. 12-month 1.40-1.55c dis.

DOLLAR SPOT—FORWARD AGAINST DOLLAR

Oct 10	Day's spread	Close	One-month	% p.a.	Three months	% p.a.
UK†	1.2210-1.2335	1.2325-1.2335	0.01c pm-0.01dis	−0.05	0.19-0.23dis	−0.68
Ireland†	1.0005-1.0100	1.0080-1.0100	0.17-0.07c pm	1.44	0.45-0.30 pm	1.50
Canada	1.3170-1.3185	1.3170-1.3180	0.12-0.15c dis	−1.23	0.26-0.31dis	−0.86
Nethlnd.	3.4715-3.4955	3.4715-3.4725	1.36-1.34c pm	4.64	4.19-4.16 pm	4.78
Belgium	62.54-62.66	62.55-62.60	½c pm-½ dis	—	9-6 pm	0.48
Denmark	11.18½-11.20¾	11.19¾-11.19¾	0.75-0.25ore pm	0.54	1.40-0.90 pm	0.41
W. Ger.	3.0750-3.1035	3.0750-3.0760	1.40-1.35pf pm	5.33	4.17-4.12 pm	5.36
Portugal	161-161½	161-162	[illegible]	[illegible]	[illegible]	[illegible]
Spain	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Italy	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Norway	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
France	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Sweden	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Japan	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Austria	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Switz.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency. Belgian rate is for convertible francs. Financial franc 63.15-63.20.

OTHER CURRENCIES

[illegible]

* Selling rate.

CURRENCY MOVEMENTS

[illegible]

Morgan Guaranty changes: average 1980-1982=100. Bank of England index (base average 1975=100).

CURRENCY RATES

[illegible]

*CS/SDR rate for October 9: N/A.

EXCHANGE CROSS RATES

[illegible]

EURO-CURRENCY INTEREST RATES (Market closing rates)

Oct. 10	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	D-mark	French Franc	Italian Lira	Belgian Franc Conv.	Belgian Franc Fin.	Yen	Danish Krone
Short term	11-11¼	9⅞-9⅞	11¾-12	6⅛-6⅞	1⅝-1⅞	0¼-5⅛	—	10⅛-10⅛	10¼-11	10⅞-11⅛	0-0⅛	11⅛-11⅜
7 days' notice	10⅞-11	10⅛-10⅝	11⅝-12⅛	0¼-6⅛	1⅝-1⅞	5⅛-0⅛	—	10⅝-16⅝	10⅛-11	10¾-11	6⅛-6⅛	11⅛-18
Month	10¾-10⅞	10⅞-10⅞	11⅞-12⅛	6⅛-6⅛	4⅝-4¾	5⅛-0⅛	10⅞-11⅛	10⅛-10	10⅛-11	10⅝-11	6⅛-6⅛	10⅞-11⅛
Three months	10⅛-10⅝	11⅛-11¼	12-12⅛	6⅛-6⅞	0⅛-0⅛	5⅞-5⅛	11⅛-11⅝	15⅞-16⅛	10⅛-11	10¾-11	6⅛-6⅛	11⅛-11⅞
Six months	10⅛-10⅞	11⅛-11⅞	12⅛-12⅝	6⅞-6⅞	0⅛-5¼	5⅛-0	12-12¼	10⅛-10⅝	10¾-11¼	10¾-11	6⅞-6⅞	11⅛-12⅛
One year	10⅞-10⅞	11⅛-11⅞	12⅛-12⅝	6⅛-6⅛	5⅛-5⅞	6-6⅛	12⅝-18¾	10-10½	10¾-11½	10⅞-11⅛	6⅛-6½	11⅛-12⅛

Asian $ (closing rates in Singapore): Short-term 10⅞-10⅞ per cent; seven days 10⅞-10⅞ per cent; one-month 10⅞-10⅞ per cent; three months 11⅛-11⅛ per cent; six months 11½-11⅝ per cent; one year 11⅞-11⅞ per cent. Long-term Eurodollars: two years 12½-12⅝ per cent; three years 12⅝-12⅞ per cent; four years 12¾-13 per cent; five years 12⅞-13⅛ per cent nominal rates. Short-term rates are call for U.S. dollars and Japanese yen; others two days' notice.

MONEY MARKETS

London rates remain firm

Interest rates were firmer on the London money market yesterday as hopes evaporated of an immediate cut in clearing bank base rates. Opinions varied about the impact of the disappointing September UK money supply figures, although all agreed a reduction in base rates has been delayed if not ruled out altogether for the foreseeable future.

Some dealers were prepared to accept the underlying money supply trend was satisfactory, as suggested by the Chancellor of the Exchequer yesterday, but others remarked an opportunity may have been lost, and that the pit strike and the outcome of the U.S. Presidential election may prevent any move. Three-month interbank rose to 10⅝ per cent from 10⅞ per cent, and discount houses buying rates for three-month bank bills to 10⅛ per cent from 10⅛ per cent.

UK clearing banks' base lending rate 10½ per cent (since August 20)

The Bank of England forecast a money market shortage of £800m, but later changed this to £650m, and provided total help of £616m, at unchanged dealing rates.

An early round of help was offered and at that time the authorities bought £75m bills outright, by way of £34m bank bills in band 2 (15-33 days maturity) at 10⅜ per cent; £10m bank bills in band 3 (34-63 days) at 10¼ per cent; and £11m bank bills in band 4 (64-91 days) at 10¼ per cent.

Further assistance of £415m was given before lunch, partly through purchases of £213m bills outright. A total of £27m bank bills were bought in band 1 (up to 14 days) at 10½ per cent; £20m Treasury bills in band 2 at 10⅜ per cent; £58m bank bills in band 2 at 10⅜ per cent; £21m local authority bills in band 3 at 10¼ per cent; £61m bank bills in band 3 at 10¼ per cent; and £26m bank bills in band 4 at 10¼ per cent.

Another £202m bills were purchased for resale to the market on November 12 at 10⅜ per cent.

In the afternoon £56m bills were bought outright, through £29m bank bills in band 2 at 10⅜ per cent, and £27m bank bills in band 3 at 10¼ per cent.

Late assistance of around £70m was also provided.

Bills maturing in official hands, repayment of late assistance and a take-up of Treasury bills from last Friday's tender drained £424m, with the unwinding of repurchase agreements absorbing £223m; a rise in the note circulation £80m; and bank balances below target another £15m. These were partly offset by Exchequer transactions adding £130m to liquidity.

MONEY RATES

Oct. 10	Frankfurt	Paris	Zurich	Amst'dam	Tokyo	Milan	Brussels	Dublin
Overnight	5.55-5.65	11⅛	1⅛-1⅜	0¼-6⅛	6.10625	17-17⅜	8.55	12⅜-12⅝
One month	5.70-5.90	11⅛-11⅛	4⅛-4⅛	6⅛-6⅛	6.21875	16⅞-17¼	10¾-11	12½-12¾
Two months	5.75-5.90	11⅛-11⅛	—	—	—	—	—	12⅝-12⅛
Three months	5.95-6.10	11⅛-11⅛	6⅛-6⅛	6⅛-6⅛	6.34370	17⅛-17⅛	10¾-11	13-13⅛
Six months	6.00-6.10	11⅛-11⅛	—	0⅛-6⅛	—	—	10⅞-11⅛	13¼-13⅛
Lombard	5.5	—	—	—	—	—	—	—
Intervention	—	11	—	0¾	—	—	—	—

LONDON MONEY RATES — Discount Houses Deposit and Bill Rates

Oct. 10 1984	Sterling Certificate of deposit	Interbank	Local Authority deposits	Company Deposits	Market Deposits	Treasury (Buy)	Treasury (Sell)	Eligible Bank (Buy)	Eligible Bank (Sell)	Fine Trade (Buy)
Overnight	—	9-11⅛	11-11⅛	10⅛-11⅛	9-10¾	—	—	—	—	—
2 days notice	—	—	10⅞-11	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	10⅞-11⅛	10¾-10⅞	11⅛-11⅛	10⅛-10⅝	—	—	—	—	—
One month	10⅛-10⅛	10⅜-10⅜	10⅝-10¾	10⅛-11	10⅛	10⅛	10⅜	10⅜	10⅛-10⅛	11⅛
Two months	10⅝-10⅞	10⅛-10¾	10⅞-10⅞	10⅞	10-10¼	10¼	10⅛	10¼	10⅞-10⅞	10⅞
Three months	10⅛-10⅛	10⅛-10⅛	10⅛-10⅝	10¾	10	9⅞	9⅞	10⅛-10⅛	10⅛	10⅛
Six months	10⅛-10¼	10⅛-10⅝	10⅝-10⅛	—	—	—	—	9⅞-9⅞	9⅞-9⅞	10⅛
Nine months	10⅛-10¼	10⅛-10⅛	—	—	—	—	—	—	—	—
One year	10⅛-10¼	10⅛-10⅛	10⅛-10⅝	—	—	—	—	—	—	—

	Local Auth. negotiable bonds	Local Authority Deposits	Finance House Deposits	$ Cert of Deposits	SDR Linked Deposits	ECU Linked Deposits
One month	11⅛-10¾	—	10¾	10.6-10.7	0¼-9⅛	9⅛-10
Two months	11-10¾	—	10⅝	10.75-10.85	9⅜-9⅝	9⅛-10
Three months	10⅞-10⅝	—	10⅝	10.9-11.0	9⅛-9⅛	9⅞-10⅛
Six months	10⅞-10½	—	10⅛	11.25-11.35	9¾-10	10-10⅛
Nine months	10⅞-10½	—	10⅝	11.5-11.6	—	—
One year	10⅞-10½	—	10⅛	11.6-11.7	10-10¼	10⅛-10⅜
Two years	—	10⅛-11	—	—	—	—
Three years	—	11-11¼	—	—	—	—
Four years	—	11¼-11⅜	—	—	—	—
Five years	—	11¼-11½	—	—	—	—

ECGD Fixed Rate Export Finance Scheme IV: Average Rate of interest period September 5 to October 2 1984 (inclusive): 10.904 per cent. Local authorities and finance houses seven days' notice, others seven days' fixed. Finance Houses Base Rate (published by the Finance Houses Association): 11 per cent from October 1 1984. London and Scottish Clearing Bank Rates for lending 10½ per cent. London Deposit Rates for sums at seven days' notice 7¼-7½ per cent. Treasury Bills: Average tender rates of discount 9.7543 per cent. Certificates of Tax Deposit (Series 8): Deposit £100,000 and over held under one month 10⅜ per cent; one-three months 10⅜ per cent; three-six months 10⅜ per cent; six-nine months 10⅜ per cent; nine-12 months 10⅜ per cent. Under £100,000 10 per cent from September 12. Deposits held under Series 6 10⅜ per cent. The rates for all deposits withdrawn for cash 7 per cent.

FT LONDON INTERBANK FIXING

LONDON INTERBANK FIXING (11.00 a.m. October 10)

3 months U.S. dollars	
bid 11 1/8	offer 11 1/4

6 months U.S. dollars	
bid 11 3/8	offer 11 1/2

The fixing rates are the arithmetic means, rounded to the nearest one sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

MONEY RATES

NEW YORK (Lunchtime)

Prime rate	12¾-12¾
Broker loan rate	11½-12
Fed funds	9½
Fed funds at intervention	9¾

Treasury Bills

One month	9.85
Two month	10.07
Three month	10.09
Six month	10.18
One year	10.18

Treasury Bonds

Two year	99⅞
Three year	100⅛
Four year	103⅛
Five year	[illegible]
Seven year	[illegible]
10 year	[illegible]
30 year	[illegible]

FINANCIAL FUTURES

Little change

Prices were generally little changed on the London International Financial Futures Exchange yesterday, with the underlying trend depending on the New York Federal funds rate and the performance of the U.S. bond market. December Eurodollars opened below the previous London close, but firmer than the equivalent Chicago finish, encouraged by the overnight fall to around 10 per cent in Federal funds. A further decline to around 9¾ per cent in early Fed funds trading yesterday pushed the contract up to a high of 88.78, but it fell back to close at 88.70, compared with 88.73 previously as it became clear the level of overnight money in New York was largely technical, resulting from weekly make-up day for the banks.

A similar trend was seen in U.S. Treasury bonds, with an attempt to drive the December contract higher, on news the U.S. Treasury auctions have been postponed until next week, running out of steam.

It finished at 67-23 compared with 68-04, after touching a peak of 68-07.

LONDON

THREE-MONTH EURODOLLAR
$1m points of 100%†

	Close	High	Low	Prev
Dec	88.70	88.78	88.65	88.73
March	88.41	88.48	88.39	88.43
June	88.11	88.18	88.10	88.15
Sept	87.82	87.90	87.80	87.87
Dec	87.54	—	—	87.59

Est. volume 4,988 (4,080)
Previous day's open int. 10,814 (10,722)
†Repriced

FT-SE 100 INDEX
£25 per full index point

	Close	High	Low	Prev
Dec	112.05	113.56	112.65	113.00
March	113.05	—	—	112.00
June	—	—	—	103.50

Est. volume 173 (203)
Previous day's open int. 724 (710)

U.S. TREASURY BONDS
8% $100,000 32nds of 100%

	Close	High	Low	Prev
Dec	67-23	68-07	67-22	68-04
March	67-05	—	—	67-18

Est. volume 1,886 (1,045)
Previous day's open int. 1,033 (1,020)

THREE-MONTH STERLING, 20-YEAR 12% NOTIONAL GILT, STERLING, DEUTSCHE MARKS, SWISS FRANCS, JAPANESE YEN; CHICAGO: U.S. TREASURY BONDS (CBT), U.S. TREASURY BILLS (IMM), CERT. DEPOSIT (IMM), THREE-MONTH EURODOLLAR (IMM), STERLING (IMM), GNMA (CBT)

[illegible]

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. The following are closing prices for October 10.

* No information available-previous day's price.

† Only one market maker supplied a price.

Straight Bonds: The yield to redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week = Change over price a week earlier.

Floating Rate Notes: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. C. date = Date next coupon becomes effective. Spread = Margin above six-month offered rate (†† three month; § above mean rate) for U.S. dollars. C.cpn. = current coupon. Cu. yld = current yield.

Convertible bonds: Denominated in dollars unless otherwise indicated. Chg. day = Change on day. Cnv. date = First date for conversion into shares. Cnv. price = Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem = Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

OVER-THE-COUNTER

Continued from Page 40

CAPITAL MARKETS

Merrill places a third of Exxon issue in Japan

BY MAGGIE URRY IN LONDON

MERRILL LYNCH yesterday got down to the business of selling the Exxon zero-coupon bonds issue it had bought in its entirety on Tuesday. For simplicity's sake the issue has been slightly reduced to give a redemption total of $1.8bn.

Merrill has brought in Daiwa Europe and Crédit Lyonnais as co-lead managers to sell the issue, plus a management group. The issue price has been fixed at 11.85, compared with the 11.05 price Merrill paid Exxon for the bonds. At that level the yield to maturity is 11.348 per cent. The selling concession was set at 30 basis points.

According to Mr Hansgeorg Hofmann, head of syndication at Merrill Lynch, a third of the issue has been placed in Japan by Merrill, Daiwa and co-managers Nomura Securities. Japanese investors are limited to buying a third of a zero-coupon issue for the first six months from issue. Mr Hofmann said that as well as sales to Japan, "a substantial proportion of the issue has been placed outside Japan."

Rival issue managers quoted the bonds around the 11.20 level, but said that trading volume was low.

Another perpetual floating-rate note was launched, for the Norwegian Den norske Credithank. Like the Barclays issue on Monday, it was increased, from $100m to $150m. The notes pay ¼ per cent over the three-month offered rate for Eurodollars in the London interbank market. Lead-manager is Morgan Stanley with Bank of Tokyo International and Nordic Bank as co-leads.

The issue traded well at a discount of around ½ point to its par issue price, well inside the ¾ per cent selling concession.

Crédit Commercial de France devised an ingenious formula for a floating-rate note for Crédit Foncier, the French guaranteed housing and construction finance group. The FRN raises $150m and has a 15-year life. It pays the equivalent of six-month Libor and with an issue price of 101½, Crédit Foncier effectively gets funds at 10 basis points below Libor.

Investors can convert, during the first year of the notes' life, into a straight EuroFrench franc bond, with a seven-year life, and a 12¾ per cent coupon. No EuroFrench franc bonds have been issued since 1981. Converson will take place at a fixed exchange rate to be set next week, so investors also have the chance of making a profit on the currency if they convert. Co-lead manager on the issue is Morgan Guaranty.

The issue appealed to investors and quickly traded up to a one-point premium to the issue price. Fees on the deal totalled ¾ per cent.

BHF Bank bond average		
Oct. 10		Previous
101.237		101.226
High	1984	Low
101.329		98.058

A warrants deal appeared late in the afternoon for Finnish Export Credit, lead-managed by Morgan Stanley. The $100m deal includes five-year bonds with a 12¾ per cent coupon, each with a warrant to buy a bond maturing in 1991 with the same interest rate. The deal was priced at 103½. As has become usual with such deals, the warrants on their own traded well, up to 40 compared with a theoretical issue price of 32½. The package traded inside the 1⅞ per cent fees at around a 1½ per cent discount to the issue price. First Interstate is co-lead.

Merrill Lynch has once again increased its floating-rate note issue for Citicorp, this time by $100m to $400m. Even so, the trading level was unchanged at around 99.75, still comfortably inside the fees.

Floaters were generally strong performers yesterday, with the Crédit Lyonnais issue and the Barclays perpetual star performers. Straight Eurodollar bond issues were little changed after a firmer opening. Uncertainty over the U.S. Treasury's auction plans unsettled the market.

Morgan Grenfell priced the £100m bulldog issue for Sweden with a coupon of 11 per cent and a 91.976 issue price, to give a yield to maturity of 12.005 per cent, 1.35 points higher than the yield on Treasury 13½ per cent 2004-08. Applications open today.

The new D-Mark issue calendar was announced yesterday, with 10 borrowers raising a total of DM 2.16bn. Some traders think that might be too much for the market to cope with, although two big issues account for nearly half.

Commerzbank set the ball rolling with a DM 200m issue for Beecham, the UK consumer products company. It has a 10-year life and 7¾ per cent coupon, and was issued at par. It traded at around 99¾, well inside the 1½ per cent selling concession.

The D-Mark bond market weakened slightly, with prices down about ⅛ point. Swiss franc bonds were depressed by the stronger dollar and local interest rate uncertainties. Prices fell by up to ¼ point, with investors again switching into the higher coupon issues.

Electricité de France is raising Fl 150m in the Euroguilder market; a number of borrowers have taken advantage of falling yields there. EDF's issue has a coupon of 8 per cent for its 10-year life. ABN and Amro Bank priced the issue at 99¾, to yield 8.04 per cent.

D-MARK NEW ISSUE CALENDAR

Date	Borrower	Amount DM (m)	Lead
Oct 10	Beecham Group	200	Commerzbank
Oct 11	Denmark	300	WestLB
Oct 12	Spain*	60	Dresdner Bank
Oct 15	Lonhro	100	BHF-Bank
Oct 16	World Bank	400	Deutsche Bank
Oct 18	LADB*	150	Commerzbank
Oct 24	EEC	150	Deutsche Bank
Oct 30	Australia	600	Deutsche Bank
Nov 2	S.African Transport	100	Deutsche Bank
Nov 5	SCN	100	Deutsche Bank

Next committee meeting Nov. 5
** Private placements*

Top Swedish banks start debt trading

BY DAVID BROWN IN STOCKHOLM

SWEDEN'S two main commercial banks, Skandinaviska Enskilda Banken and Svenska Handelsbanken yesterday began trading priority government bonds, and the state-owned PKbanken expects to follow suit shortly in what is described as an important first step towards the creation of a broad secondary market in long-term government bonds.

The move comes amid a broader liberalisation of the Swedish credit and money markets.

It follows a rules change by the Riksbanken (central bank) under which the leading insurance companies and national pension funds are no longer obliged to hold the below-market-rate priority bonds which they were required to buy from the Government.

The earlier rule had effectively frozen bank-insurance company trading of such instruments and left the banks with large priority bond holdings, which have held back their earnings this year.

It is hoped that the quotation of the priority bonds with regular market-rate government bonds will broaden interest in these instruments (the total stock of which is about SKr 200bn, according to the Riksbank), not least among corporate customers with surplus liquidity.

OVER-THE-COUNTER